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WITH the initial issue of the new year we begin the publication of a series of articles contributed to this paper by representative thinkers and writers upon insurance in its several forms. The purpose is educational in the broader sense, and the whole will compose a body of expert information which cannot fail to make of the attentive reader in the end a man well learned in the science of insurance. We take pleasure in awarding the distinction of opening the series to an underwriter so well qualified to lead and instruct as Mr. Ralph K. Hubbard, comptroller of the Provident Savings Life Assurance Society.

THE report of the examination of the Washington Life insurance company by the New York State Insurance Department has not yet been made public, but the retirement of the old management this week and the payment into the treasury by the sale of newly issued stock of $656,200 are significant of the revelations which are forthcoming. The company was undoubtedly found insolvent under the legal tests applied by the examiners, and drastic measures were necessary to preserve it. The activity of the insurance department has come none too soon, and it is properly amenable to criticism for having waited for outside prodding to arouse it to the performance of its duty. Such disingenuous statements as the company has been rendering to the insurance departments to which it has been reporting should have provoked at least inquiry from all of them. Our contemporary, the *Chronicle,* attempts an explanation of the irregularities about lapses which is not entirely convincing. This may be the defense of the old management, and it may be warranted in charging laxity to the investment department, but when it attributes any of the company's misfortunes to maladministration of the agency department it is taking refuge behind the silent dead, which may be safe, but hardly dignified. It is, however, a matter of profound satisfaction that men of substantial means have been willing to come forward to save the company for its policyholders, and that the services of Mr. Tatlock have been secured as president. He has the qualities of competency and experience, and, with a strong directorate behind him, entire confidence in the present and future of the Washington Life can be resumed. He may claim the sympathy as well as the confidence of the community in the task before him.

MORE insurance money went to repair losses by fire, in the year just closed, than in any since that of the great Chicago conflagration, 1871. The record of total burning is $250,000,000 for the United States and Canada, and the insurance proportion is about sixty per cent. Had the sweeping fires of Baltimore, Toronto, Rochester, Yazoo City and Sioux City not occurred, the aggregate loss in the two countries would have been only a little above the average of several past years, and it was these extraordinary fires which forcibly directed the attention of underwriters to the condition most threatening to the stability of their business, the congestion of great values in insufficiently protected areas of populous cities. The natural and inevitable result was the appointment by the only organization representing the fire insurance business *en bloc,* the National Board, of a commission to investigate the situation regarding congested centres, which will pass into insurance history as the Committee of Twenty. This body has used the most expert instruments to inspect cities and report upon them, and the companies so advised have applied what is now known as the "conflagration charge" in rates, where conditions are found to be below the normal safety line. Considerable opposition has been manifested in spots, from both local agents and the insured, but the necessities of the companies have been paramount and have had to be respected. While reasonable men owning insured property have accepted the situation, there is no doubt an element which will make its dissatisfaction felt in the legislatures, and we may therefore look for evidences of it in the numerous bodies just convening. The movement to antagonize the companies on rates, by suppressing their rating associations, which broke down, temporarily, at least, in Illinois, found expression during the year in Newark, and is still undetermined. The few legislatures of 1904 were not, on the whole, unfriendly to insurance, but in two States, Massachusetts and Vermont, what the business might expect if the extremists could have their way was shown in the bills introduced by them to establish rates by law. The other events of the fire insurance year of interest were the efforts of the insurance department commissioners to destroy fraudulent companies by securing their exclusion from the United States mails, and the court decision in the Sullard case affirming the right of the local agent to solicit renewals of business placed by him on the books of a company from which he has separated. Notwithstanding the heavy losses by the great conflagrations, the prosperous condition of the South and West has favored the companies, and with somewhat better rates on the average and the appreciation of investments the companies will make fairly good statements. The results of fire underwriting have not been such as to encourage a large inrush of new capital. A few new first class companies have been organized, but it will be seen by our record of incoming and outgoing companies on another page that more capital was dropped from the business last year than was added to it.

IN life insurance a greater measure of prosperity than ever before achieved was the feature of 1904. The magnificent records of 1902 and 1903 of volume of new busi-

ness were surpassed. All the leaders increased their gains over the best previous years, and the slower going large companies, as well as the small companies, nearly all made progress. There is no indication that the fulminations of the Boston stock gambler against the insurance companies have made the slightest impression on the business. It has gone right along with growing momentum. An interesting feature of the labors of managers for the improvement of the business has been their promotion of means to educate the coming men of America to a realization of the value of life insurance. To that end the establishment of courses of instruction in the universities and higher academies of learning has been encouraged, and the special schools of companies, like the Equitable Life, have extended their scope. The welfare of the business in other directions has been sought by these leaders. Five companies joined in an agreement to abstain from decoying or employing each other's agents, and another company set the example to its fellows of prohibiting the unfair practice of "twisting" policies by its representatives. Progress was made in the regulation of the fraternal business by the preparation of a uniform law by the insurance commissioners, for introduction in their respective legislatures. The most conspicuous events in the courts in 1904 were the litigation of the Equitable and Prudential with the insurance commissioner of Wisconsin and the affirmation of the legality of the preliminary term valuation in Vermont. There were numerous examinations of companies by department officials during the year, only one of importance turning out unfavorably so far as yet reported. The World's Fair at St. Louis afforded the opportunity to the greater companies to exploit their characteristics in appropriate exhibits, and the exposition grounds were the scenes of numerous agency gatherings. In casualty and surety insurance the most notable event was the organization of a co-operative association for the good of all, and in liability insurance the dissolution of the compact, although a rump of four companies resolved to continue. An agreement of the plate glass insurance underwriters hangs fire on account of the unwillingness of one company to place itself unreservedly in bonds with its competitors. Upon the whole 1904 was a year of progress in all lines of insurance and of beginnings in things which promise great results in 1905.

Facts and Opinions.

At the **annual meeting of the New England Insurance Exchange,** held this (Saturday) morning, the executive committee presented its report, expressing the opinion that new tariffs were more to be desired than new legislation, noting that eighteen tariffs have been printed and distributed, and that four more are in process and will soon be issued. Seven other new tariffs are in various stages of preparation. Only seventeen cases of "pink slip" occurred during the past year, which is but slightly more than one-half the number issued the previous year, and not one has failed to accomplish its purpose. The conference committee schedule for rating breweries has been adopted, but not yet ordered applied. New minimum rates for tobacco in barns have been adopted, together with an optional form of policy, for the use of which a very material reduction in rate is granted. The committee believes that the standard form for rent insurance which has been submitted and for the use of which a considerable reduction from the building flat rate is contemplated substantially disposes of the question "What is the proper rate for rent insurance as compared with the building?" The report also refers to the projected legislation regarding form of permit for storage and use of gasoline in specifically rated automobile risks, notes that the new vacancy and non-occupancy rules have been generally adopted in the suburban territory of Boston and also by a number of other local boards, and congratulates the Exchange on still retaining as secretary one who is so thoroughly qualified to cope with its needs and possibilities. President Palmer, in his annual address, noted that the membership of the Exchange at the close of 1904 was 141, a reduction of eight during the year, and also that the past year had been somewhat uneventful, as far as important or radical legislation was concerned. The condition of New England, insurance-wise, he stated, had been fairly satisfactory, with the possible exception of the State of Maine, the excessive loss ratio of which for the last few years had attracted the earnest attention of the companies. Notwithstanding the measures taken to advance rates, it was doubtful if the majority of companies would show a profit for 1904 in Maine. In the face of such a record a committee of the bar of that State recommends legislation adverse to insurance companies, the principal bill in effect abrogating the reference clause. In other New England States bills obnoxious to insurance interests have been introduced, but none of them have become law. One of the most important acts of the Exchange was the appointment of the schedule risks committee, the work of which has proved the wisdom of its appointment. In conclusion, the president thanked the companies for their loyal support, and the working force of the Exchange for its able and faithful service.

A reorganization of the **Washington Life insurance company** was begun December 30 by the resignation of President William A. Brewer, Jr., and the election in his place of John Tatlock, associate actuary of the Mutual Life insurance company. There being five vacancies in the board of directors, they were filled by the election of Winthrop Rutherford, a son-in-law of ex-Governor Morton, president of the Morton Trust Company; Elihu Root, ex-Secretary of War; Thomas F. Ryan, multi-millionaire railroad magnate; Harry Payne Whitney, and Charles H. Allen, vice president of the Morton Trust Company. A reorganization committee, appointed by the directors December 27 and composed of ex-Governor Morton, President George M. Hard of the Chatham National Bank, and Henry F. Hitch, made a report recommending an increase in the capital stock from $125,000 to $500,000, and this recommendation has been unanimously adopted by the reorganized board of directors. The new stock issue of $375,000 was subscribed for at 175, thus paying into the treasury of the company $656,250. It is understood that the report of the examination of the company by the New York State Insurance Department will be withheld until after the reorganization is completed. This may take place at the meeting of the directors next week. There is general commendation of the choice of Mr. Tatlock as president. He has been connected with the actuarial department of the Mutual Life the past fifteen years. He is a native of Williamstown, Mass., where he was born March 12, 1860, the son of the Rev. John Tatlock, an eminent divine of the Presbyterian Church. He was educated at Williams College, graduating from there in 1882. After his graduation he became astronomer at the Washburn Observatory at Madison, Wis., resigning from there to become professor of astronomy at Beloit College. In January, 1889, he was appointed actuary of the Prudential insurance company of Newark, and in March, 1889, was appointed assistant actuary of the Mutual Life. He was elected secretary of the Actuarial Society of America in May, 1899, and editor of its "Transactions." In the fall of 1889 he was appointed associate actuary of the Mutual Life.

A Worcester, Mass., newspaper has been printing a report of **Vice President John B. Lunger's recent talk** before the Insurance Association of that city, to which the speaker takes exception for several inaccuracies. In a letter to the *Insurance Observer*, which reprinted some extracts, Mr. Lunger says:

The balance of trade is unquestionably in favor of the United States, but if you will clip off a cipher from the figures in the article they may come nearer the amounts I quoted. I spoke plainly and frankly, as men do when they feel deeply. I have little patience with Mr. Lawson, but I have less with the men who furnish a pretext for his criticism; and whatever my opinion of these men may be, I hardly look for the time when I shall "sympathize with the much maligned socialist." What I did say was this: "There are times when in the quiet of my library I ponder over existing conditions, and my heart goes out in a flood of sympathy to the workingmen of the country, and I can even understand why the doctrines of the socialist appeal to some." And while I cannot see the advantages of foreign business to American policyholders, I did not refer to such business as the "biggest balloon that was ever created." In other and minor respects the report was inaccurate, but the foregoing errors are of sufficient importance to call for correction. I would, therefore, be obliged if you would kindly publish this letter in your next number.. I regret exceedingly that your periodical has applied some of my remarks to a company with which I was formerly connected. My references to certain matters in life insurance that are open to criticism were general; and while I cannot prevent their application by you to any one company, I can certainly take exception thereto.

The Superintendent of Insurance of Canada has prepared for this paper the following statement of **new insurance companies created in Canada** during the year 1904:

The Montreal-Canada Fire insurance company was the only Canadian company which has received a license from this department since January 1, 1904. This company was formerly a local company called the Mutual Fire Insurance Company of the City of Montreal, which was doing business solely in the Province of Quebec under Quebec laws. In 1903 a Dominion charter was obtained changing the name to the Montreal-Canada Fire insurance company and providing for a capital stock of not less than $100,000 and not more than $1,000,000. This company received its Dominion license on February 16, 1904, at which time its subscribed capital was $157,960 and its paid up capital $15,796. During the year the Canadian Fire insurance company obtained a special act reducing its capital stock from $500,000 to $250,000. Three other companies also obtained special acts enabling them to reduce their paid up capital, namely: The British America Assurance, the Western Assurance Company, and the Ottawa Fire Assurance. We shall not obtain the official returns giving the amount of the capital reduced in the case of these companies until after the close of the year. No Canadian company licensed by this department has retired from business during the year. During the last session of Parliament the following charters were granted for the formation of new companies, namely: The Canadian Credit Indemnity Company, with an authorized capital of $1,000,000; the Dominion Fire insurance company, with an authorized capital of $500,000; the Monarch Life Assurance Company, with an authorized capital of $2,000,000. These companies have not as yet obtained a license or started doing business.

The report of the **Boston Protective Department for November,** 1904, shows the heavy aggregate of $448,331 of fire losses, against $86,667 for November, 1903. The bulk of last November's losses were occasioned by the Harcourt Building fire on the 11th, on which settlements aggregating $256,598 have been made, and on the Hoosac Dock fire of the 17th, on which the settlements to date of report amounted to $137,414, a total of $393,012 insurance losses paid on these two fires. Of the total losses of the month, $200,115 on buildings and $209,197 on contents were covered by insurance, while $27,132 on buildings and $11,888 on contents were not so protected. The eleven monthly reports of the department for the year 1904 so far issued, with an estimate of December, indicate a total property loss in Boston last year of $2,115,000, with an insurance loss on buildings of $1,020,709 and on contents of $922,439, making a total insurance loss of $1,943,148, while the unprotected amount is about $171,000. Thus the abnormally heavy losses of the year in the country at large were to some extent reflected in the experience of Boston.

The **heaviest loss of 1904 in Chicago** came on the last day of the year. The property loss is estimated at $500,000, with an insurance loss of $400,000. A number of agencies had closed their accounts and made their December remittances to their companies and were forced to take back some of their congratulations over a profitable year. The heaviest loss was on the plant of the Cash Buyers' Union, a mail order house, where a total loss of $210,000 on stock was sustained. The fire spread to three other buildings, most of which were destroyed. Fourteen firemen were injured by falling walls. Chief Campion said it was the worst fire he had seen in years. Late the night before another barn of the Union Traction Company was burned, making the fifth in a little over a year. Insurance to the amount of $58,500 was carried under the general form of $2,203,000. These losses increased the total for the year, as reported by the Fire Insurance Patrol, showing actual insurance payments, with the last week's estimated, to $4,370,000, which is still a little below the average for the past few years.

The estimated **loss by fire in the United States and Canada** in the month of December, according to the compiler for the *Journal of Commerce*, was $19,422,350. The Sioux City fire helped to raise the total to a greater figure than that of previous Decembers. The following table gives a comparison of the losses for the twelve months of the year, with those of 1902 and 1903:

	1902.	1903.	1904.
January	$15,032,800	$13,166,350	$21,790,200
February	21,010,500	16,090,800	90,051,000
March	12,056,600	9,907,650	11,212,150
April	13,894,600	13,549,000	23,623,000
May	14,866,000	16,366,800	15,221,400
June	10,245,350	14,684,350	10,646,700
July	10,028,000	12,838,600	11,923,200
August	7,425,550	8,428,350	9,715,200
September	9,945,000	9,939,450	14,387,650
October	9,593,300	10,409,800	12,866,200
November	10,546,650	13,589,550	11,515,000
December	14,616,500	17,224,700	19,422,350
Total	$149,260,850	$156,195,600	$252,364,050

The **Continental Casualty Company of Chicago** has increased its business so rapidly during the present year that the two upper floors of the Fort Dearborn Building in Chicago are no longer adequate for it. Wanting room for future enlargement, the company has decided upon a building of its own, which will be erected for it on Michigan avenue, near Twelfth street, to be ready for occupancy in April. The building will be three stories high, will cover a lot 50x171 feet, and will have an ornamental front of terra cotta and plate glass. It will have 17,000 feet of floor space, a notable feature being the large and commodious fireproof vaults for books and records, so arranged that work on the records can be done inside the vaults. Manager Alexander will have the second floor front, and President Bunker, Secretary Smith and other officers the third floor front. The company expects to have the most conveniently arranged insurance office in Chicago. It has written over $2,000,000 in paid for business this year without forcing it, and has set the mark for $2,500,000 in 1905.

The **will of Alfred James,** late president of the Northwestern National insurance company of Milwaukee, Wis., field last week, leaves to his widow, Frances W. James, in lieu of dower, the house and lot at 715 Astor street, Milwaukee; all of his life insurance, all money in bank and the personal and household effects at the Astor street home and the summer house at Lake Nagawicka. One-third of the

remaining real and personal estate is left to his son, Alfred F. James, and one-third to his daughter, Venice. One-third is left in trust for F. W. Kennan, Constance L. Kennan, Jeanette S. Kennan, and George F. Kennan, the income to be paid to the guardian of these children every six months until they are of age, when they will receive their share of the estate. If one of them dies the share reverts to the others, and if all die without issue their portions of the estate will revert to Alfred and Venice James. The petition for executor states that both the real and personal property exceed $5,000, but the whole amount is not named.

The information has just eventuated that in October last the **Ohio Fire Marshal's Office** secured **secret indictments** from the grand jury against a number of prominent men in Northern Ohio and Southern Michigan, on charges of arson, based on the burning of the village of Fayette, Ohio, in 1881. The proceedings were revealed by the arraignment last week of George Letcher, a prominent California capitalist, at Byram, Ohio. Letcher was recently extradited from California after a hard fight, and an accomplice, who was arrested at about the same time, has confessed and turned State's evidence. The Fire Marshal's Office states that this case is but the beginning of a number of similar ones, in which it will be endeavored to prove that several men made fortunes at about that time by plots of incendiarism, and that some of them who are now wealthy and influential will be called upon to explain their connection with happenings a decade or two ago.

The *Chronicle* views with favor the position taken by Dr. Fricke, in the interview recently printed in this paper, as to the most practicable method of obtaining some measure of **national insurance supervision.** Our contemporary says:

> The *Chronicle* is of the opinion that there is much in this view, and indeed some weeks ago we printed a similar opinion as to the weight and influence which a well conducted Federal department would have, quite apart from its authority. We believe it to be a wild dream that in our generation either the control over interstate insurance will be given exclusively to the Federal Government or that State commissioners will with one voice consent to accept without question the certificate of the department of a company's domicile; but it does not seem to us unreasonable that all States should unite to accept the certificate of a National department, of course without abandoning the right of the individual State to regulate the business of insurance within its borders and to exclude any company or class of companies that it desires. * * * All in all, it may be that no more than Dr. Fricke outlines can be secured at this time since, as he points out, not only would more contravene the Supreme Court's decision but even though that were reversed the opposition of the various States would influence their representatives to defeat the measure.

By order of court at Louisville, Ky., last week, two suits brought by the **estate of Paul Caine** against the Ætna Life insurance company on two accident policies for $2,500 each were settled, it is said, on the same basis as others heretofore compromised, at two-thirds of face value. Beside the face value the policies had an annuity feature, paying $260 a year on each policy for ten years after death. Caine was drowned on July 3, 1903, while swimming in the river near his home at Fincastle. Caine had taken out heavy insurance shortly before his death and suicide was suspected. It was rumored that he had taken poison before entering the water and an investigation was begun but never finished. The claims were contested on the ground of misrepresentation in the applications for the policies. A number of companies were involved in suits begun by the widow, but some cases were dropped, others were compromised and but one now awaits settlement.

Losses at the Stock Yards in Chicago for 1904 were less than $75,000, while the premiums were increased to nearly $500,000 by the new packing house schedule, which went into effect during the year. In consequence the packers have asked the Chicago Underwriters' Association for a reduction. They were told that the rates would be materially lowered if they would make the improvements called for by the new schedule, especially the reduction of large open areas and the segregation of the hazardous processes. They want more than this, however, although they have spent $500,000 during the year making the improvements. President Teall, of the association, has been authorized to confer with Chairman Belden, of the governing committee of the Union, and if they think advisable a joint committee will be appointed to consider changes in the packing house schedule.

The **fraternals** think that they now have their **uniform bill** in a shape that should satisfy the insurance commissioners, says our Chicago correspondent. The latter developed their position definitely at the Boston conference, their principal point being a wish to restrict the transactions of fraternals to death and disability insurance. If cash surrender values or extended insurance were to be given the commissioners wanted valuation of policies. The fraternals held that they could not consent to valuation, as they must have the benefit of the lapse element, all their tables being based on that understanding. At the Chicago conference the bill was amended, with the position of the insurance commissioners in mind, and it is believed by the fraternal managers that the new clause, allowing extended insurance in the readjustment of rates up to the amount of any surplus the organization may have, will be satisfactory.

After serving the Providence-Washington as its secretary for the greater part of three years **Samuel G. Howe** has accepted the **secretaryship of the Equitable Fire and Marine** of Providence. At an election held Monday, the directors of the last named company advanced James E. Tillinghast to the vice presidency, choosing Mr. Howe to the secretaryship thus vacated; W. H. Boutwell was elected general agent of the Eastern department, and W. F. Keach, general agent of the Western department of the company, while F. W. Arnold, Jr., was made its assistant secretary. Mr. Howe's first insurance experience was with the Equitable, and he has filled important field positions in New England. The best wishes of the Providence-Washington accompany him to the Equitable Fire and Marine, which, owing to the feeble health of Mr. Tillinghast, was in urgent need of a capable secretary.

The **new insurance commissioner of Maryland** will be Frank I. Duncan, who will succeed Lloyd Wilkinson at the close of his term of office in April. The *Journal of Commerce* supplies the following personal sketch of the new official:

> Mr. Duncan was born June 4, 1858, at Butler, Baltimore County, and left school before he was sixteen years of age to accept a position with Darby & Co., candy manufacturers, and later traveled South for that firm. In 1882 he entered the law school of the University of Maryland and graduated in 1884. He was at once admitted to practice by the Supreme Bench of Baltimore city and opened a law office in Towson September, 1884. In 1886 he bought the *Baltimore County Herald*, changed its politics and its name to the *Baltimore County Democrat*, and has been its editor ever since. In 1888 he was elected to the Legislature at a special election to fill out an unexpired term without opposition. In 1889 he was appointed United States Attorney to fill out the unexpired term of Hon. N. Charles Burke, who was elected judge. In 1891 he was nominated and elected State's Attorney.

Present indications are that the other companies interested in the **Friedman loss at Grand Rapids, Mich.,** growing out of

the collapse of a building there in 1901, will be held by the decision rendered against the Liverpool and London and Globe, the first of the many cases growing out of the loss to have been tried. The decision was carried to the higher courts and judgment was found against the company. The other companies want to have separate trials, hoping to bring in new evidence or get a new jury, but the United States Circuit Court has held that a combination was in force among all the companies, that the Liverpool and London and Globe acted for the rest, and that the decision in the United States Court of Appeals against it constitutes an estoppel on the other companies. The ruling will be appealed to the Federal Court of Appeals.

Our valued Boston contemporary the *Standard* makes the following pleasing announcement in its last issue:

The *Standard* takes pleasure in announcing the association of William E. Beer with its editorial department, which arrangement will date from January 1. Mr. Beer has been identified with the *Investigator* of Chicago for the past eight years, where his thoughtful and conscientious work has attracted much favorable attention. He will join the *Standard* forces prepared to do his full share in maintaining and perpetuating this paper on the same clean, enterprising policy which has won the respect of representative insurance men throughout the field.

We congratulate our contemporary on its acquisition. Mr. Beer is one of the ablest and clearest headed editorial writers in the United States and commands the genuine respect of his fellow journalists and underwriters alike. We are glad to have him nearer the centre of the universe.

The increasing importance of the ordinary business of the **Prudential** insurance company of Newark, N. J., and the company's plans for increasing this branch of the work during the coming year have necessitated the appointment of an officer to be known as the **supervisor of ordinary agencies,** who will assist the executive. In accordance with the policy of the Prudential this officer has been selected from the ranks in the person of George B. Speer, who has been for many years in the employ of the company; of late as manager of the Eastern agency division. He took up his new duties on January 2 and will be located in offices on the eighth floor of the home office building at Newark. Mr. Speer is succeeded in the management of the Eastern agency division by his former assistant, Edward S. Andrews. Newell J. Ward, general inspector, succeeds Mr. Andrews as assistant.

The figures in the **report of the directors of the Interstate Life Assurance Company** of Indianapolis for the year ending December 31, 1904, which we publish this week in our advertising columns, justify the assertion of the company's motto, "Safe as a Bank Note." The assets of this conservatively active company amount to $1,232,518, its liabilities are $960,536, leaving a surplus to policyholders of $271,982. The past year gave the company an increase in assets of $375,240, in surplus of $54,560, and in assurance in force of $2,638,162. The company has no outstanding death claims, and has charged up to liabilities premiums already paid at the time of statement which are due in 1905. The showing is a strong one, and the sixth to be issued under the present management.

The **annual report** of Chief Campion, of the **Chicago Fire Department,** is out. He reports the fire losses for 1904 at $2,785,757, or $277,364 less than in 1903, omitting the closing days of the year. The figures of the fire insurance patrol are materially higher than these. They are made up from adjustment losses and are absolutely correct and show that the department is given to understating losses in order to make a good showing. The number of alarms responded to was 8,777 and the value of the property involved was $127,305,313, insured for $79,869,116. Five new engine houses have been built during the year. The department now has 98 engine companies, 28 hook and ladder trucks, 15 chemical engines and 5 fire boats.

The Postmaster General has, under date of December 31, 1904, issued a **permanent "fraud order"** preventing the delivery of mail to the Hartford insurance company (of Indian Territory), Phœnix Underwriters of New York city, **Jesse L. Rogers,** E. C. Bowers and J. Hunt Wood, 1 Union square, or Hartford Building, New York, N. Y.; Harris Brothers, Muscogee, Ind. Ter., and South McAllister, Ind. Ter. The order was applied for by Leo Levy, of New York, attorney for the real Hartford Fire insurance company, and succeeds a temporary order granted a few weeks ago. The order forbids postmasters to pay money orders drawn in favor of the swindlers and directs that all letters for them be returned by postmasters to the writers thereof.

A pointer for those seeking light on health insurance is found in the annual address of President Towne to the members of the Commercial Travelers' Eastern Accident Association of Boston, in which he said:

Our experience shows that during the past four years 24½ per cent. of the present entire membership of the association have filed sick benefit claims and that 14 8-10 per cent. of that membership have actually been paid such claims. Further, that the average payment per claim was more than $83, representing more than four weeks' actual confinement to the house—not in a single exceptional case now and then, but in every single claim paid. If you will stop for a moment and ask yourselves if among all your acquaintances one person in every seven has been by sickness alone actually confined to the house for more than four weeks, I doubt if there is anybody here who can answer you.

The Supreme Court of Ohio handed down a decision last week holding the **Crafts bonding act,** passed last winter, to be **unconstitutional** and void. The opinion was unanimous. The decision was given in the case of McKell vs. Robbins, probate judge of Ross County. Mrs. McKell offered a personal bond of $200,000 as administratrix of her husband's estate, which Judge Robbins refused to accept. A suit in mandamus was then brought against him. The act provided that all appointees of court, as administrators, guardians, etc., and all public officials, except notaries public and the State Superintendent of Insurance, should furnish bonds guaranteed by an authorized bonding company instead of personal bonds.

The resignation of Robert Dickson as United States manager of the **Royal Exchange Assurance Corporation** took effect December 31. Mr. E. B. Hiles, fire manager at the home office, who recently came to the United States to look over conditions, is at present acting as manager. On Wednesday the metropolitan agency of the company was resigned by R. D. Tweedale and it is understood that the company will not write any local business during the present month. Mr. Tweedale will wind up the current business of the company in this city and is negotiating for other companies to take the place of the Royal Exchange.

It was thought that the entry of Donald McLennan into the new firm of **Burrows, Marsh & McLennan** in Chicago would mean the transfer of the German-American to that agency, as it is the leader in his Duluth agency, and he is closely allied with it because of his railroad business. Moore, Janes, Lyman & Herrick, who have the Chicago agency, have made $500,000 in profits for the company, and put up such a good fight to hold it that it was finally decided that it should

remain with them, for the present, at least. The other agency, held by R. W. Hosmer & Co., will be transferred to Burrows, March & McLennan.

The **New York Life** insurance company has filed a **petition in the District Court at Omaha,** Neb., to enjoin that city, through its treasurer, from collecting the personal tax levied there on the company. The assessment was made on the basis of the gross amount of premiums collected for the year in Omaha, amounting to $71,950, or over $1,000 tax. The company contends that there is no authority under the law to tax the gross premiums of life insurance companies. The only amount of tax that the city can rightfully levy, it is claimed, is $11.63 on the amount of $830.97, and this the company has offered to pay.

The **property purchased** this week **by the Travelers** insurance company at Hartford for the future site of an office building consists of the Putnam Building property, a plot immediately south of it owned by the gas company and the site of the First Universalist Church Society. The gas company received over $100,000 for the property sold and the church society $150,000. The Putnam property brought about $100,000. The church has been given the right to keep its quarters until July 1, 1906, so it is probable that building operations will not begin on the new site until after that date.

Agitation for a **salvage corps** is under way at **Columbus, Ohio.** It is said that in a number of fires recently happening there an efficient corps could have prevented enough loss to fully pay for a year's maintenance of such a body. A great deal of dissatisfaction has been expressed of late with conditions in that city, and the Ohio Inspection Bureau, according to Manager T. B. Sellers, has had trouble to make the inhabitants live up to the fire limit ordinance and take reasonable care of their electrical installations and ordinances regarding rubbish in basements.

The fire department committee of the **Chicago Underwriters' Association** this week filed a formal protest with Mayor Carter Harrison **against** the new ordinance allowing the **two platoon** system in the fire department, and asks that he affix the official veto to the proposition. The underwriters claim that the present force is inadequate for such an arrangement and that it would take an extra appropriation of $500,000 a year to work it properly. Chief Campion is opposed to the plan for practically the same reasons advanced against it in this city by Chief Croker.

Motion for reargument in the case of the **Provident Savings Life Assurance Society against the State Comptroller,** decided last November in favor of the company, was denied this week by the Court of Appeals at Albany. The court finally and decisively says:

> Every tax, by whatever name it is called, must rest upon and become a burden on some kind of property. When the burden rests upon the income or receipts of corporate business, as in this case, in the absence of clear language to the contrary the statute should be construed as applying to future business and not to past transactions. If there is any ambiguity in the statute it should be resolved in favor of the taxpayer and not in favor of the State.

At the annual **election of the Cincinnati Underwriters' Association,** on Thursday, the following officers were chosen and installed later at a banquet at the Queen City Club in the evening: President, E. C. Gibbs; vice president, C. C.Rothier; treasurer, E. F. Weiss; governing committee, William Stredelman, B. T. Clemons, J. G. Wright and W. S. Heckle; secretary, William Stredelman. The younger element of the association made a strong fight for the supremacy and was successful. Mr. H. K. Benndorf, for twenty years treasurer, failed of reelection.

The stockholders of the **long dead Millville Mutual** Fire insurance company of Millville, N. J., have called a meeting to consider if there is any further possible chance of their being able to avoid the advances of the receiver, who is trying to collect an assessment to pay for the dead horse. A decision was recently secured against the stockholders in the Court of Errors and Appeals, and if the stockholders cannot find a new loophole they will be compelled to pay up with interest. So much for mutuality in fire insurance!

A suit for $50,000 damages has been filed in the Federal Court by the **Bankers' Mutual Casualty** Company of Des Moines, Ia., **against the Ocean Accident and Guarantee** corporation of London, England. It is asserted by the Bankers' Casualty that the defendant company in advertising in the *Insurance Post* of Chicago printed an inaccurate statement concerning the financial strength of the Bankers Mutual Casualty. It is further asserted that misleading circulars were sent through the mails.

The **central department of the New York Life** was given an unusually high allotment for 1904, largely because of its recognition in the opening of a Western office of issue in Chicago. This allotment was not filled till the last day of the year, but it came in strong then, the department paying for $61,500,000. Of this the Chicago offices paid for nearly $25,000,000. The office of issue, pushed to its utmost capacity for several days, was not able to get all the business out in time for delivery.

The annual meeting of the **Boston Life Underwriters' Association** will be held at the Parker House next Tuesday afternoon. The election of officers for the current year and other business is on the calendar. It is probable, though not quite settled, that the new incumbents will be introduced to their constituency at large at a dinner to be given February 21, at which it is hoped that President Dolph, of the national association, will attend.

The **Western Mutual Life** insurance company is the title of a new organization at Aberdeen, S. Dak., and business will begin on an old line basis as soon as the required 250 policyholders are secured. Among the directors are Governor C. N. Herried, probably to be chosen president; A. F. Milligan, general agent of the St. Paul Fire and Marine insurance company; C. L. Easton, general agent of the Fidelity and Deposit of Maryland, who is secretary pro tem., and Charles A. Howard, president of the Aberdeen Gas Company.

At Chicago on Thursday "Wildcatter" **E. A. Shanklin,** who pleaded guilty recently there to fraudulent use of the mails, was **sentenced** to one year in the House of Correction and a fine of $500. The evidence against him was mainly given by a former stenographer in his office. Shanklin is the fourth operator of the

Chicago ring to be sentenced. S. W. Jacobs, C. A. van Anden and C. J. Russell being the others, and one indictment still remains against James R. Wilson.

The preliminary statement of the Equitable Life Assurance Society of New York for the year just past gives the following figures: Outstanding assurance, $1,500,000,000 (increase during 1904, $90,000,000); income, $78,000,000 (increase during 1904, $4,000,000); assets, $410,000,000 (increase during 1904, $29,000,000); assurance fund and all other liabilities, $332,000,000; surplus, $78,000,000 (increase during 1904, $5,000,000); paid to policyholders, $37,000,000 (increase during 1904, $2,000,000).

As was expected after the Western Union rescinded the charge for the **consequential damage clause in breweries,** because of the competition of the non-union companies, the executive committee of the Chicago Underwriters' Association has recommended to the association its remission there. This was asked for some time ago, but instead the breweries were given a reduction of the 25 per cent. advance to 10 per cent.

The inspectors, cashiers and general agents of the **Illinois field of the Equitable Life** gave a handsome gold watch to **Howard H. Hoyt,** Western superintendent, on Christmas morning, in token of their regard for him as a friend and leader. While Mr. Hoyt has been building up the Illinois field he has won the hearts of his men at the same time, and the relations between them are unusually close and cordial.

A mutual insurance organization, to be known as the **Workmen's Accident insurance company,** is in process of formation at Topeka, Kan., under the auspices of ex-Czar Webb McNall, ex-Governor Riddle, of Minneapolis, and other prominent members of the Ancient Order of United Workmen. The organizers claim that the new company is to have no connection with the order.

The **Alliance Fire insurance company** has been organized at **Austin, Minn.,** with $100,000 capital. It will undoubtedly take over the business of the Alliance Hail and Cyclone insurance company of Austin, which has a surplus of $98,000. The new company will do a general business. Some conflict is expected with the name of the new Alliance of Philadelphia.

The appointment of **insurance commissioner of Missouri** seems to be hovering between Senator Thomas L. Rubey, of Macon, the retiring Lieutenant Governor, and Congressman W. D. Van Diver, who managed the campaign for Governor Folk. The odds are in favor of the former, but there is a chance that he will refuse the appointment, it is said. Mr. John A. Lee, actuary of the department, has resigned.

Suit has been begun in the United States Court at Richmond, Va., **against the Virginia State** insurance company by the Firemen's insurance company of Baltimore for $300,000 damages, claimed on reinsurance contracts, involving losses in the Baltimore conflagration. The Virginia State contends that its liability is much less than the amount claimed by the Firemen's.

The **strike insurance company** organized in Connecticut a year ago was granted a certificate December 15, 1904, by the Connecticut Insurance Department as the Mutual Security Company of Waterbury, Conn. It is authorized to write contracts of insurance to protect manufacturers or builders against loss by reason of riot, strike and similar causes.

The Northwestern field of the **National Fire of Hartford** has been rearranged as a result of the retirement of Robert C. Greer to enter the railroad department of Burrows, Marsh & McLennan. A. Stinson, who has had Iowa, will have Iowa and Minnesota, and Charles A. Keith, who had Southern Wisconsin, will take the entire State.

In connection with the **Abbey Press loss scandal** Rev. Dr. Carlos Martyn, at one time president of the company and former pastor of the First Reformed Church of Newark, N. J., was arrested on a charge of grand larceny. Dr. Martyn's successor as president of the Abbey Press was indicted last week by the grand jury on a similar charge.

News from Hartford is to the effect that the committee of stockholders on the **reorganization of the Ætna Indemnity** company has secured sufficient proxies to control the annual election of officers on January 17. It is stated that President Hunt will not be re-elected but that Secretary Edward S. Pegram will remain in office.

Not less than 175 applicants have been enrolled as associate members of the **Insurance Library Association of Boston** this week, and have been called to attend a meeting at the Exchange rooms at 5 o'clock next Friday afternoon, to nominate members of the lecture committee and appoint time and place for the lectures.

The **Sioux City insurance men** are clamoring for fire engines in order to better the protection there. The late conflagration showed that the water pressure was insufficient to get water to the upper stories of the higher buildings, and increased rates are threatened unless the improvements are made.

The Alabama and Chicago agencies of **the Union Central Life** had a lively contest for first honors for business written in 1904. Chicago wrote $750,000 in December and hopes to get first place. The Chicago and Illinois agencies together wrote more business than the entire State of Ohio.

The executive committee of the South Eastern Tariff Association at a meeting last week adopted a resolution authorizing the advisory committee of the inspection department to make **competitive rates on sprinklered risks** wherever necessary to secure the business from the mutuals.

The Casualty Company of America has secured the entire **boiler line of the United States Steel Corporation,** consisting of about 5,000 boilers. This risk has been carried for a number of years by the Hartford Steam Boiler Inspection and Insurance Company.

The Pacific Coast reports a **large increase in premium income,** while in the Western Union territory many companies show a falling off. The average loss ratio for the Coast will

be about 35 per cent. on a premium income of about $20,000,000.

According to the veracious *Insurance Herald,* "Lou" Payne has a chance of becoming **National Commissioner of Insurance** if there ever should be a national commission of insurance. How do underwriters like that prospect?

The **Illinois Life** closed the year with $38,500,000 of insurance in force and $11,000,000 written during the year. Of this $2,000,000 was in Illinois and Chicago, $1,600,000 in Missouri and $1,000,000 in Michigan.

The Chicago House Wrecking Company, which bought the **exhibit buildings of the St. Louis World's Fair,** has taken a salvage insurance policy of $180,000 running for four months at a 5 per cent rate.

The **annual meeting and dinner of the Once a Year Club** will come off this year at Delmonico's in the third week in February. Preparations for an unusually brilliant event are already in progress.

The handsomest **holiday souvenir** we have seen this season is a morocco card case, "with the compliments of the Metropolitan Plate Glass and Casualty insurance company."

The offices of the **Westchester Fire** insurance company were **removed** this week from the old Wall Street stand to the eleventh floor of 100 William street.

On Saturday last the **Michigan Commercial of Lansing** and on Monday last the **Alliance Fire of Philadelphia** were admitted to do business in Massachusetts.

The **Missouri State Life** wrote $7,000,000 of new business in 1904, closing the year with $10,000,000 of insurance in force. It is now operating in seventeen States.

The **reinsurance of the Delaware** insurance company of Dover by the Home of New York related only to the **Maryland business** of that company.

The **Kansas Insurance Department** reports the collection of $197,811 in fees in 1904, which is an increase of $27,000 over 1903.

The **Alliance** insurance company of Philadelphia has been authorized to do business **in New York State.**

Personal.

AGENCY APPOINTMENTS.

Aachen and Munich: H. W. Murray, supervising general agent for the West, with headquarters at Chicago.

Alliance of Philadelphia: Burrows, Marsh & McLennan, Chicago, Ill.; Field & Cowles, Boston, Mass.

Eagle Fire: Klee, Rogers & Cory, Chicago, Ill.

Eagle Fire: Lewis & Frear, sole agents for Brooklyn, Long Island City and Queens County.

London and Lancashire: Bailey & Hoenig, resident managers at Baltimore.

Michigan Commercial: Montgomery & Funkhouser, Chicago, Ill.

Michigan Commercial: Stephen E. Barton, local agent for Boston and special agent for New England.

Newark Fire: H. J. Ullman & Co., Chicago local agent.

North German: W. S. Wolverton & Son of Ardmore, general agents for Oklahoma and the Indian Territory.

Security Fire of Baltimore: Arthur G. Langham, State agent at Louisville, Ky.

St. Paul Fire and Marine: F. Y. P. Hanson, State agent for Iowa and Missouri.

Traders of Chicago: Harry Bush, superintendent of agents for the Southern department, with headquarters at Chicago.

Williamsburgh City Fire: Brummel Brothers, Cook County managers and sole agents for Chicago.

Mr. Truman W. Eustis, who retired January 1 as joint manager of the Western department of the Atlas and Manchester, has resigned as a member of the Western Union, this also involving his retirement as chairman of the grievance committee and member of the committee on Illinois litigation, specific and blanket policies and apportionment of non-concurrent policies.

Mr. Charles E. Shade, former New York agent of the American Fire insurance company of Philadelphia, has opened offices as an independent adjuster at 43 Cedar street. Mr. Shade was very successful in this line before he entered the agency business which he has just relinquished.

Mr. Thomas H. Bowles has resigned the management of the Michigan business of the Equitable Life Assurance Society to look after business interests in the South, and has been succeeded by W. A. Sandas, who has been connected with the company in Michigan over fifteen years.

Mr. Theodore H. Babcock, for twenty years manager at the New York office of the Hartford Steam Boiler Inspection and Insurance company, has resigned and will be succeeded by Mr. C. C. Gardner, Jr., general agent at St. Louis, Mo.

Mr. Charles Russell, who has been since the first of last year acting as local secretary of the Commercial Union and Palatine insurance companies of London, has been formally appointed to that position by Manager A. H. Wray.

Mr. Herbert P. Hopkins, general agent of the State Mutual Life insurance company of Worcester, Mass., at that city, died there suddenly of heart failure brought on by acute indigestion, December 28. He was forty-six years old.

Mr. Charles E. Ring retired this week from the Bremer, Du Four, Ring & Pinckney Company, to devote his attention to his own brokerage interests. His place in the former firm is taken by Mr. John L. Dudley, Jr.

Mr. A. K. Murray, of Louisville, has resigned the general agency of the United States Fire of New York, and after January 1 all agencies in his field will report direct to Crum & Forster, general agents in New York.

Mr. F. J. P. Hanson, Minnesota and Dakota special agent of the New York Underwriters' agency, has resigned to become State agent of the St. Paul Fire and Marine insurance company in Iowa and Missouri.

Mr. F. P. Hamilton, for several months past with the Queen insurance company of America and formerly general agent of the Manchester, has been appointed general agent of the Queen at the home office.

Mr. Henry M. Crowell, special agent of the Mutual Life insurance company of New York for the State of New Jersey, died of erysipelas at his home in Newark, December 29, aged forty-one years.

Mr. Ardenus Romer Free, fire insurance agent at Peekskill, N. Y., since 1871, died at his home there of heart and kidney disease December 24.

Messrs. Fred S. James & Co. have been appointed sole agents of the Calumet insurance company of Illinois for Chicago.

Mr. E. A. Peterson, of St. Paul, has been appointed assistant insurance commissioner by Governor-elect Johnson.

Mr. Anthony W. Reddy, insurance agent at Newburyport, Mass., died there December 24, aged seventy-two years.

Mr. Elmer D. Wiggins has been appointed manager of the Equitable Life of New York for Iowa at Des Moines.

Mr. A. Stinson, special agent of the National of Hartford, has been assigned to also Minnesota.

Mr. L. P. Bayard, Jr., has been appointed agency secretary of the Phœnix Assurance of London.

Insurance Commissioner Host of Wisconsin was in New York on Thursday of this week.

Insurance Legislation.

Massachusetts.

BOSTON, Mass., January 5.—Governor Douglas was inaugurated quietly today and delivered an address full of suggestion upon problems of the times, but there was no mention of insurance matters. The committees of the Senate and House are expected tomorrow.

THE RELATION OF LIFE INSURANCE TO MERCANTILE CREDIT.

By Ralph K. Hubbard, Comptroller of the Provident Savings Life Assurance Society, New York.

If it is true that one's financial standing is not solely dependent upon his church connections or his social position, or indeed his family tree, it must be assumed that it rests largely upon his commercial worth measured by the cold blooded and material standards now prevailing. Upon the hypothesis that an individual's general character is not the only index by which to estimate his credit (and what is true of the individual is equally true of the corporation), then life insurance is a material factor in the maintenance, if it is not absolutely essential in the establishment, of mercantile credit.

It is a fact that business enterprises will not run themselves, but are dependent upon outside influences; just as truly as the engine requires the engineer for its practical utilization, so do business houses require the guiding hand of ability to direct their affairs. The propelling force, after all, is certainly not less the man at the throttle than the steam in the boiler. In other words, it is the man who creates and makes things, rather than the tools employed by him.

The success of large business undertakings requires the Rockefellers, the Carnegies or the Marshall Fields. They are the captains of industry whose brains and energy and courage have mastered the details of enterprises and molded them into results the marvelous like of which the world never saw before. They are the captains of today, the precursors of generals of industry that future generations will develop, and their essential importance to the enterprises which come under their command can hardly be estimated.

Anything, therefore, which will operate as a compensating return for the death or even the temporary absence of such directing spirits and reduce to a minimum the loss resultant therefrom is a prime factor in the safeguarding of the interests of all. The writer believes that life insurance carried by business houses on the lives of their real men would meet the demands of such a situation and solve the problem to the extent of minimizing the loss, from death, caused to such houses. It goes without saying that the cost thereof should be treated as a fixed expense for the safeguarding and the betterment of the business.

The twentieth century thinkers are a unit in believing that the scarcest of all commodities—and they are commodities—are good men, and, next to good men, their brain creations—good ideas. Therefore, it is permissible to reiterate that the death of any essential man or men in any business whatsoever must of necessity interfere with that particular business in the same degree that his or their time was devoted to its affairs. There can be no question then but that were life insurance carried in proper amounts on the lives of the real propelling forces of all business houses, the commercial credit of such houses would be placed upon a decidedly higher plane.

This idea has already been adopted, in many cases, by banks in requiring that the makers or indorsers of notes assign to them policies of life insurance, thus admitting that while the bank may expect such obligations to be met at maturity, if the responsible parties be alive, still there is a doubt as to payment should the party or parties die in the meantime; an admission that needs no comment.

To apply a different illustration, I would say that the term "credit" is, in a sense, a complement of the word "faith," as just in the proportion that the faith exists the credit is extended. We all know that it is practically impossible to apply faith or extend credit to any inanimate thing, and business enterprises are most decidedly inanimate if we remove the man from them. Faith in man is now, and always has been, more of a factor in the attainment of success than any other one thing known, and, therefore, any step looking toward the minimizing of the void occasioned by the elimination of the man is a step upward. While life insurance does not, and cannot, preserve man and thus prevent his loss to the business, it can supply the necessary oxygen to the concern that will continue its business respiration until the new man is developed.

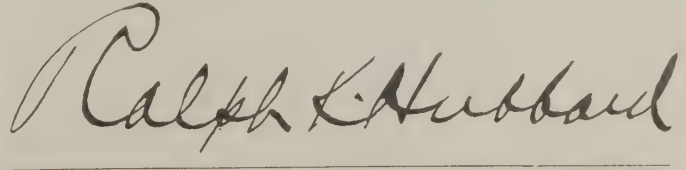
The time is not far distant when the progressive mercantile agencies will report not only the name of the corporation, but the names of the essential men connected therewith (which names are not necessarily limited to its officers), and at the same time have reported to them, for their files, at least, the amount of life insurance protection carried on their several lives. When this scheme is properly developed, and generally known, it will act as a further expansion or a decided retraction, so far as mercantile credit is concerned.

Partnership insurance, as now carried by firms, has a most decided relation to mercantile credit, and while it is not my purpose to minimize its uses, nevertheless it can safely be stated that such partnership insurance is merely the beginning of what the future is to bring forth.

The life insurance factor is destined to be recognized, along the lines I have indicated, as a power to be utilized in connection with mercantile credit, and when it is judiciously applied, it will surely lessen, if not entirely remove, the great losses which now occur, through death, of the real creative forces of the business world.

The cost of applying such protection is, of course, an added expense, but, warranted as it is by the great benefits resulting therefrom, I may safely insist that the more money paid for life insurance of this character, the better off the business world will be.

Moral—An ounce of Commercial Prevention is worth many pounds of Post Mortem Cure.



New York.

ALBANY, N. Y., January 6.—Apart from a passing reference to the subject, nothing relating to insurance developed at the opening session of the Legislature. It has been the custom of late years to defer until toward February the offering of any insurance bills of moment. It seems likely that this practice may be followed this year, for thus far none of the members of either house have indicated whether they will propose any insurance legislation during the session.

The appointment of the insurance committees of the Senate and the Assembly will be announced at the session next Wednesday night. There is some speculation as to who will head the Senate committee in view of the fact that Senator Marshall, of Brooklyn, chairman during the previous session, has not been returned.

Senator Malby, of St. Lawrence, is directly in line for promotion, being second on the committee. He is apt to retain the chairmanship of the Finance Committee, and in that event it is probable that the Senate Insurance Committee's deliberations will be guided by some Senator not yet determined upon. Undoubtedly Assemblyman Lewis, of Oswego, will again be assigned to the head of the House Insurance Committee.

Governor Higgins made the following reference to insurance in his annual message:

The volume of business conducted by the corporations, companies and societies render the supervision of the Insurance Department has materially increased. The total amount of risks in force at the close of the last calendar year, including life, fire and marine insurance, was $37,501,282,689. It is obvious that the State owes a duty to its citizens who invest their money in insurance to this vast extent to exercise proper supervision and control over the companies doing business within its limits. No insurance company, association or fraternal order that fails in meet its obligations in full within a reasonable time after they accrue, should be allowed to do new business.

Tennessee.

NASHVILLE, Tenn., January 2.—In his message to the Legislature today Governor Frazier had the following to say as to fire insurance:

Insurance of property against loss from fire has grown to be a necessity of our complex business life. The question of bona fide protection from loss by fire through insurance, and of the premium rates charged for such insurance, are questions of vital importance to the business interests of the State.

The premium rates should be determined by the fire losses. It is claimed that both the fire losses and the premium rates are proportionately higher in Tennessee than in many other States. There is a decided feeling among the insured of the State that the present premium rates are too high and are not justified by the fire losses.

This subject demands your most careful investigation and study. If there is a wrong, and the people of the State are being charged excessive rates for insurance, this fact should be definitely ascertained and some remedy found and applied. If, upon the other hand, the fire losses are greater than elsewhere, and thus justify the present premium rates, this fact should be known and such legislation had as may promise substantial relief.

I therefore recommend that a special joint committee be appointed and authorized and empowered to make a thorough and careful investigation of this whole subject, and to report their findings, and that such legislation be thereafter passed as may be justified by the facts.

Miscellany.

OFFICIAL CHANGES IN FIRE INSURANCE COMPANIES IN 1904.

Agricultural of Watertown—William H. Stevens elected president, succeeding A. H. Sawyer, deceased; John Q. Adams appointed secretary, P. H. Willmot assistant secretary.

Allemannia of Pittsburgh—Charles P. Kellerman appointed secretary, succeeding George W. Hammer, resigned.

Alliance Fire of Austin, Miss. (new)—J. D. Sheedy elected president; N. F. Banfield, vice-president; Charles F. Cook, secretary.

Alliance of Philadelphia (new)—Charles Platt elected president; Eugene L. Ellison, vice president; Benjamin Rush, second vice president; Henry W. Farnum, secretary; Greville E. Fryer, treasurer.

American Fire of Philadelphia—Louis S.Amonson appointed secretary of the Western department; C. A. Krause of the Middle department; J. M. H. Weaver of the Eastern department.

American National Insurance and Trust of Galveston, Tex.—W. L. Moody, Jr., elected president; Sealy Hutchins, vice-president; John A. Stubbs, vice president and manager life department; James A. Quinn, secretary.

American of Rockford, Ill.—Charles E. Sheldon elected second vice president.

Armenia of Pittsburgh—John I. Shaw elected president, succeeding Holmes Jones, resigned.

Atlanta-Birmingham—Robert N. Hughes appointed secretary.

Atlanta Home—W. D. Deane appointed assistant secretary, succeeding John T. Hall, resigned.

Atlas Mutual Fire of Des Moines, Ia. (reorganized)—J. K. Miller elected president; William Wilkinson, secretary.

Atlas of London—Frank Lock appointed United States manager.

Black Hawk of Freeport, Ill. (new)—C. C. Collman elected president; William Trembor, secretary.

Caledonian of Edinburgh—Robert Chapman appointed general manager (home office), succeeding David Deuchar, deceased.

Calumet Fire of Chicago (new)—Marvin A. Farr elected president; Alonzo W. Haight, vice president; Henry Fowler, secretary.

Columbia of Jersey City—George F. Crane elected president, succeeding James A. Whitlock.

Commonwealth of New York—John M. Daggett appointed secretary.

Dubuque Fire and Marine—John Ellwanger elected president, succeeding Thomas Connolly, deceased; Maurice Connolly elected vice-president.

Eagle Fire of New York—Theodore Price elected president; William G. Whilden, secretary and manager; Melville Ingalls, treasurer.

Equitable Fire and Marine of Providence—James E. Tillinghast elected vice president; Samuel G. Howe, secretary.

Equitable Fire of Charleston, S. C.—William M. Bird elected president, succeeding James F. Redding, deceased.

Equitable Fire of Cincinnati—Frank L. Jones elected president, succeeding Robert Allison, deceased.

Georgia Home—Dana Blackmar appointed secretary, succeeding Henry L. Roan, resigned.

German-American Fire of Dubuque, Ia. (new)—T. W. Ruete elected president; Richard Klock, vice president; Frank Weihe, secretary and manager.

Germania of New Orleans—J. E. Merilh elected president, succeeding Jacob Hassinger, deceased; Otto F. Maier, elected vice president.

Glens Falls—Egbert W. West appointed assistant secretary.

Guardian of Norfolk, Va. (new)—David R. Creecy, Jr., elected president; George L. Currier, secretary.

Hawkeye of Des Moines—G. M. Hippe elected president, succeeding James Callahan, deceased.

Home of New York—Elbridge G. Snow elected president, succeeding John H. Washburn, resigned.

Houston Fire and Marine of Texas—R. S. Yocum elected vice-president and general manager.

Illinois Central of Chicago (new)—W. A. Howard elected president; C. A. Werner, vice-president; S. N. Cotterman, secretary.

James River Fire of Richmond, Va. (new)—S. B. West elected president; J. W. Donly, vice-president; William Marshall, secretary and treasurer.

Jefferson Fire and Marine of Richmond, Va. (new)—William S. Bennett elected president; F. L. Richold, vice president; Joseph A. Derlin, secretary and treasurer.

Killingly of Killingly, Conn. (new)—Joseph P. Tuttle elected president; Solomon I. Rosenblum, vice president; Harry E. Back, secretary.

Lumber of New York (new)—Pendennis White elected president; Horace F. Taylor, vice president; R. H. McKelvay, secretary.

Michigan Commercial of Lansing (new)—Frank A. Hooker elected president; Robert Henkel, vice president; A. D. Baker, secretary and treasurer.

National Fire of Hartford—George H. Tryon appointed assistant secretary.

New York Fire—Charles A. Hall elected president, succeeding Augustus Colson, resigned.

North State Fire of Raleigh, N. C. (new)—Ashley Horne elected president; W. S. Thompson, vice president; James F. Cobb, secretary.

Northwestern National of Milwaukee—William Patton elected president, succeeding Alfred James, deceased; Alfred F. James elected vice president; William D. Reed, secretary and vice president; Joseph Hubel, secretary.

Phenix of Brooklyn—Charles F. Koster appointed secretary, succeeding W. A. Wright, deceased.

Phœnix of Hartford—Thomas C. Temple appointed assistant secretary.

Phœnix of London—Louis P. Bayard appointed assistant manager of the United States branch, succeeding Edward B. Clark, resigned.

Potomac of Washington, D. C.—Alexander K. Phillips appointed secretary, succeeding Jefferson W. Pearce, resigned.

Providence-Washington—J. R. Branch elected president, succeeding J. H. DeWolf, resigned; Charles Dunlop elected vice president; W. H. Phillips, assistant secretary.

Rochester German—Herman Mutschler appointed assistant secretary.

Rossia of St. Petersburg—Carl F. Sturhahn appointed United States resident manager.

Royal Exchange of London—Robert Dickson resigned as United States manager.

Security Fire of Baltimore—Charles Adler elected president; J. Ramsey Barry, vice president; George W. Taylor, second vice president.

Security Fire of Little Rock, Ark.—H. C. Hall elected president; George B. Allis, secretary.

Security of New Haven—H. C. Fuller appointed secretary, succeeding H. Mason, resigned; F. M. Lloyd appointed assistant secretary.

Southern Fire of Little Rock, Ark. (new)—J. W. Crockett elected president; John A. Bunch, vice president; O. C. Ludwig, secretary.

Southern Fire of Lynchburg, Va.—J. Gordon Payne elected president; H. M. Dingee, vice president; Holmes Cummings, secretary.

Southern Mutual of Athens, Ga.—Billups Phinizy elected president, succeeding W. W. Thomas, deceased.

Standard Fire of Keokuk, Ia. (new)—F. C. Overton elected president and manager; W. J. Steckel, vice president and treasurer; R. B. Hornsburg, secretary.

Svea of Gothenburg—M. L. Duncan appointed United States manager.

Union Fire of Buffalo—Joseph P. Dudley elected president; Alexander Martin, vice president; C. Lee Abell, secretary.

United States Fire of New York—A. Romeyn Pierson elected president; William W. Underhill, vice president and secretary.

JOINT STOCK FIRE AND FIRE MARINE INSURANCE COMPANIES ORGANIZED OR PROJECTED IN 1904.

Name.	Cash Capital.	Cash Surplus.	Proposed Capital.
Alliance Fire, Austin, Minn.	.....	.....	$100,000
Alliance, Philadelphia	$500,000	.....	.....
American National Insurance and Trust, Galveston, Tex*	.....	.....	200,000
Atlas Mutual, Des Moines, Ia.	.....	.....	1,000,000
Bankers and Underwriters Fire and Marine, Houston, Tex.	.....	.....	200,000
Black Hawk, Freeport, Ill.	200,000	.....	.....
California, San Francisco (reorganizing)	400,000	.....	.....
Calumet, Chicago	200,000	300,000	.....
Commercial Fire, Houston, Tex.	.....	.....	100,000
Dominion Fire, Tazewell, Va.	.....	.....	100,000
Eagle Fire, New York (resumed)	300,000	200,000	.....
Fidelity and Security, Greensboro, N. C.	.....	.....	20,000
Freeholders, Topeka, Kan.	.....	.....	200,000
German-American Fire, Dubuque, Ia.	.....	.....	100,000
Germantown, Germantown, Wis.	200,000	.....	.....
Guardian, Norfolk, Va.	.....	.....	100,000
Illinois Central, Chicago	.....	.....	100,000
Imperial, Tazewell, Va.	.....	.....	100,000
Independent Fire, Philadelphia	.....	.....	200,000
Inland Fire, Chicago	.....	.....	25,000
Ireland Fire, Chicago†	.....	.....	100,000
James River Fire, Richmond, Va.	.....	.....	100,000
Jefferson Fire and Marine, Richmond, Va.	.....	.....	100,000
Killingly, Killingly, Conn.	.....	.....	50,000
Lumber, New York City	200,000	100,000	.....
Manufacturers and Mercantile, Chicago†	.....	.....	200,000
Merchants Exchange, Chicago†	.....	.....	200,000
Michigan Commercial Fire, Lansing, Mich.	200,000	100,000	.....
Midland National Fire, St. Louis, Mo.	.....	.....	100,000
National Underwriters, Lincoln, Neb.	.....	.....	200,000
North Arkansas Fire, Yellville, Ark.	.....	.....	100,000
North State Fire, Greensboro, N. C.	100,000	25,000	.....
Republic Fire, Norfolk, Va.	.....	.....	50,000
Reserve Fire and Marine, Chicago†	.....	.....	100,000
Rossia, St. Petersburg (admitted to United States)	200,000‡	.....	.....
Savoy Fire, Washington, D. C.	.....	.....	25,000
Sears, Cincinnati	.....	.....	200,000
Southeastern Fire, Richmond, Va.	.....	.....	50,000
Southern Fire, Little Rock, Ark.	.....	.....	100,000
Standard Fire, Keokuk, Ia.	25,000	.....	100,000
Southern Fire, Lynchburg, Va.	.....	.....	250,000
Travelers Fire, Pine Bluff, Ark.	.....	.....	100,000
Troy Fire, Troy, N. Y.	.....	.....	200,000
United of America, Chicago	.....	.....	200,000
United States Mutual, Raleigh, N. C.	.....	.....	100,000
Washington, Seattle, Wash.	.....	.....	500,000
Totals	$2,525,000	$725,000§	.....

*Also chartered to do life, marine, accident and health insurance business. †West Virginia charter ‡Deposited $500,000 with the New York Insurance Department. §Cash surplus, proposed surplus not included.

The Security of Baltimore was reorganized with $200,000 capital.

The New England Lloyds was organized at Providence, R. I., with $120,000 cash capital.

CAPITAL INCREASED IN 1904.

Names.	From.	To.
Ben Franklin, Allegheny, Pa.	$100,000	$200,000
Camden Fire, Camden, N. J.	300,000	400,000
Eastern Fire, Atlantic City, N. J.	100,000	200,000
Humboldt, Allegheny, Pa.	100,000	200,000
Queen, New York	500,000	1,000,000
Northern, New York	250,000	300,000
Northwestern Fire and Marine, Grand Forks, S. Dak.	117,250	200,000
Union Fire, Buffalo, N. Y.	100,000	200,000
Totals	$1,567,250	$2,700,000

It was reported that the Savoy Fire of Alexandria, Va., had voted to increase its capital from $50,000 to $100,000, and the National of Guthrie, Okla., from $150,000 to $500,000. The financial condition of these companies is not known.

MUTUAL FIRE INSURANCE COMPANIES WHICH WERE INCORPORATED OR BEGAN BUSINESS IN 1904.

Altoona Urban Mutual Fire, Altoon, Pa.
American Manufacturers Mutual, Indianapolis, Ind.
Bower City Mutual Fire, Janesville, Wis.
Butler Patrons' Mutual Fire, Butler, Pa.
Buffalo County Mutual, Fountain City, Wis.
Commercial Mutual Fire, Omaha, Neb.
Cotton Oil Mutual, Wilmington, Del.
Creamery and Cheese Factory Mutual Fire, Honesdale, Pa.
Exchange Mutual Fire, Philadelphia, Pa.
Farmers' Reliance Mutual, Burlington, N. J.
Fort Pitt Mutual Fire, Pittsburgh, Pa.
Guardian Mutual Fire, Pittsburgh, Pa.
Home Fire, Memphis, Tenn.
Home Mutual Fire, Cleveland, O.
Johnstown Mutual Fire, Johnstown, Pa.
Lafayette Mutual Fire, Pittsburgh, Pa.
Leathermen's Mutual Fire, Philadelphia, Pa.
Maine Farmers' Mutual, Lisbon Falls, Me.
Merchants' Mutual, Denver, Col.
Merchants' National Mutual, Fargo, N. Dak.
Minnesota Mutual Fire, New Ulm, Minn.
Mt. Carmel Mutual Fire, Mt. Carmel, Pa.
Nebraska Hardware Mutual Fire, Lincoln, Neb.
North American Mutual Fire, Pittsburgh, Pa.
Northern Mutual, Brattleboro, Vt.
North Star Dwelling House Mutual, Minneapolis, Minn.
Northwestern Mutual Fire, Greeley, Col.
Progressive Mutual Fire, York, Pa.
Republic Mutual Fire, Johnstown, Pa.
Retail Merchants' Mutual Fire, Omaha, Neb.
Sagadahoc Mutual Fire, Bowdoinham, Mass.
Sobeinshi Mutual Fire, Mt. Carmel, Pa.
State Mutual Fire, Newark, N. J.
State Mutual Fire, S. Paul, Minn.
Theatres Mutual Fire, Philadelphia, Pa.
United Mutual Fire, Philadelphia, Pa.
Wisconsin Retail Lumber Dealers' Mutual, Sauk City, Wis.

The Electric Mutual and the Traction Mutual were organized at Cleveland, O., to insure electric traction lines and plants. County and township co-operative fire insurance companies are not considered in the above list.

JOINT STOCK FIRE AND FIRE MARINE INSURANCE COMPANIES WHICH CEASED TO DO BUSINESS IN 1904.

Names.	Paid Up Capital.	Reinsured by.
Alexandria Fire, Alexandria, Va.	$57,500	Hartford Fire.
Baltimore Fire, Baltimore, Md.	200,000	Failed.
Commonwealth, Bel Air, Md.	100,000	Atlantic Fire, Richmond.
Delaware, Dover, Del.	100,000	Home, New York.
Firemens, Baltimore	400,000	Firemans Fund. Providence-Washington.
German Union, Wilmington, Del.	100,000	Failed.
Greenwich, New York	200,000	Commercial Union. Phœnix, Hartford. Hartford Fire. Firemans Fund.
Home, Baltimore	200,000	Failed.
Home, New Orleans	200,000	German, Freeport.
Kings County, Brooklyn	200,000	Atlas, London.
Lafayette Fire, New York	200,000	National, Hartford.
Manchester Fire, England	200,000	Atlas, London.
Maryland, Baltimore	100,000	Failed.
Merchants, St. Louis	100,000	German, Pittsburgh. Concordia, Milwaukee.
Merchants, New Orleans	100,000	German, Freeport.
Millers and Manufacturers, Minneapolis	100,000	Failed.
Newport, Rhode Island	50,000	Atlantic Fire, Richmond.
Old Town, Baltimore	100,000	Failed.
Peabody Fire, Baltimore	227,500	Home, New York.
Perpetual, Philadelphia	100,000	Failed.
Riggs Fire, Washington, D. C.	100,000	German-American, N. Y.
Scottish National, Chicago	100,000	Ins. Co. State of Ill.
Sea and Lake, Chicago*	402,000	Liv. & Lon. & Globe.
Southern Loan and Trust, Greensboro, N. C.	....	Globe and Rutgers.
Thuringia, Erfurt	200,000	Firemans Fund.
United Fire, Raleigh, N. C.	50,000	Failed.
Total	$3,787,000	

* The marine notes of the Sea and Lake were reinsured by the Federal of Jersey City.

Three New York Lloyds—the Standard, Assurance of America and South and North American—and six Chicago Lloyds—the Fort Dearborn, Independent, Interstate, Metropolitan, National and Northwestern—retired.

The following mutual fire insurance companies failed: Atlas, Boston; Charles River, Boston; Fayette County, Uniontown, Pa.; Iron and Steel Manufacturers, Philadelphia; Iron Merchants, Sioux City, Ia.; Jefferson, Pine Bluffs, Ark.; State, Philadelphia; United States, Philadelphia. No account is taken here of county and township co-operative fire insurance companies.

OFFICIAL CHANGES IN LIFE, CASUALTY AND SURETY INSURANCE COMPANIES IN 1904.

American Bonding Company of Baltimore—George Cator elected president, succeeding James Bond, resigned.

Ætna Indemnity—Beekman Hunt elected president, succeeding Charles N. Lindley, resigned.

Ætna Life—Walter C. Faxon appointed secretary and J. S. Rowe and John M. Parker, Jr., assistant secretaries of the accident and liability department.

American Central Life of Indianapolis—Addison H. Nordyke elected president; Charles E. Dark, vice president; Milton A. Woolen, secretary; George E. Hume, treasurer; Wilber W. Dark, assistant secretary.

Bankers' Life of New York—Frank G. Combes appointed secretary, succeeding Charles L. Gaubert, resigned.

Boston Mutual Life—H. O. Egerton appointed secretary, succeeding Edward A. Lyman, resigned.

Casualty Company of America—Chauncey Miller appointed secretary, succeeding A. M. Day, resigned.

Citizens Life of Louisville, Ky. (new)—C. B. Norton elected president; L. T. Davidson, vice president.

City Trust, Safe Deposit and Surety of Philadelphia—H. M. Jenks elected president, succeeding Michael P. Heraty, resigned.

Columbian National Life of Boston—George H. Holt elected a vice president.

Connecticut General Life—George E. Bulkley appointed actuary.

Eastern Life of Charlotte, N. C. (new)—T. S. Franklin elected president; J. N. McCausland, vice president; Charles Brenzier, secretary; H. Susman, general manager.

Equitable Life of New York—W. B. Brenmer appointed assistant treasurer and Drs. W. R. Bross and Arthur Pell medical directors; H. R. Winthrop, assistant secretary and financial manager.

Federal Life of Chicago—Oliver L. Brown elected third vice president; Seymour H. Levy, fourth vice president.

Frankfort Marine, Accident and Plate Glass—C. H. Franklin appointed United States manager, succeeding F. G. Voss, resigned.

German Mutual Life of St. Louis—Nicholas Guerdan elected president, succeeding Christopher Stiefel, deceased; William C. Uhri appointed secretary.

Hartford Steam Boiler Inspection and Insurance—Lyman B. Brainard elected president, succeeding Jeremiah M. Allen, deceased; Francis B. Allen elected first vice president.

Home Life of New York—William A. Marshall elected vice president, succeeding W. M. St. John, resigned.

Intermediate Life of Evansville, Ind. (new)—Fred W. Reitz elected president; W. A. Legeman, vice president; Fred Baker, secretary and treasurer.

Kansas City Life—Joseph B. Reynolds appointed secretary and general manager.

Massachusetts Mutual Life—Henry M. Phillips elected vice president, succeeding J. H. Appleton, deceased.

Metropolitan Surety of New York (new)—John J. Caullet elected president; Matthew F. Donohue, vice president.

Minnesota Mutual Life—J. A. O'Shaughnessy elected first vice president, succeeding John B. Sanborn, deceased.

National Life of the U. S. A.—P. M. Starnes elected president, succeeding Louis G. Phelps, resigned; Albert M. Johnson elected vice president; Julian C. Harvey, second vice president.

National Surety Company—William R. Joyce elected president, succeeding Charles A. Dean, resigned; W. J. Griffin, first vice president, succeeding Thomas F. Goodrich, resigned; Ballard McCall, second vice president; Samuel H. Shriver, secretary; David W. Armstrong and Gilbert Congdon, assistant secretaries.

New York Life—John C. McCall appointed secretary, succeeding Charles C. Whitney, deceased; Seymour M. Ballard appointed second secretary; Isaac E. Gillies and F. A. Jackson comptrollers.

Northwestern Mutual Life of Milwaukee—George C. Markham elected vice president, succeeding William P. McLaren, deceased; P. R. Sanborn elected third vice president.

Philadelphia Casualty Company—George W. Roydhouse elected president, succeeding Conrad B. Day, deceased.

Phœnix Mutual Life of Hartford—John M. Holcombe elected president, succeeding Jonathan B. Bunce, resigned; William A. Moore elected first vice president; Archibald A. Welch, second vice president; Silas H. Cornwell, secretary.

Reliable Life of Indianapolis (new)—Lew W. Cooper elected president; Joseph Little and J. J. Williams, vice presidents; C. A. Woods, secretary.

Security Trust and Life of Philadelphia—Thomas Bradley elected president, succeeding Robert E. Pattison, deceased; George B. Luper, first vice president; Savery Bradley, second vice president; Moore Sanborn, third vice president; L. C. Gaverick, secretary.

South Atlantic Life of Richmond—Edmund Strudwick elected first vice president, succeeding W. R. Harper, resigned.

Travelers of Hartford—J. Stanley Scott appointed secretary of the life department; Bertrand A. Page of the accident department; W. G. Cowles of the liability department; Lewis F. Butler appointed assistant secretary; I. William H. Pye, auditor.

United States Casualty Company—Benjamin F. Tracy elected president, succeeding James W. Hinkley, deceased.

United States Fidelity and Guaranty of Baltimore—George R. Callis elected vice president; W. W. Symington, secretary.

Washington Life—John Tatlock elected president, succeeding William A. Brewer, resigned; Graham H. Brewer elected vice president, succeeding Elisha S. French, deceased.

The following regular life insurance companies were announced in 1904, although all of them did not begin business and some combined health and accident insurance with life: Buffalo Life, Buffalo, N. Y.; Citizens Life, Louisville, Ky., $100,000 capital; Commonwealth Life, Louisville, Ky. (industrial); Continental Life and Investment, Salt Lake City, Utah; Eastern Life, Charlotte, N. C.; Eureka Life, Baltimore, Md. (changed from assessment); Intermediate Life, Evansville, Ind.; Life Insurance Club of New York, $100,000 capital; Lincoln Life, Newark, N. J., $200,000 capital; Mississippi Valley Life, Shelby, Tenn., $125,000 capital; National Life and Accident, Nashville, Tenn. (changed from assessment); North Star Mutual Life, Tracy, Minn.; People's Life and Casualty, Minneapolis, Minn.; People's Mutual Benefit Association, Washington, D. C.; Puritan Life, Washington, D. C.; Reliable Life, Indianapolis, Ind.; Twin City Life and Casualty, Minneapolis, Minn.; United States Life and Annuity, Arcola, Ill.; Washington Life, Seattle, Wash., $100,000 capital; Western Mutual Life, Aberdeen, S. Dak.. The National of the U. S. A. surrendered its national charter and reincorporated in Illinois.

New assessment life and life and accident associations were as follows (fraternal orders not included): Continental Life, Chicago, Ill.; Ethiopian Mutual, Des Moines, Ia.; Finnish Mutual Life, Hancock, Mich.; Indiana Mutual Life, Indianapolis, Ind.; National Relief, Rochester, N. Y.; Pioneer of America, Pekin, Ill.; Royal Life and Accident, Birmingham, Ala.; United Commercial Travelers, St. Paul, Minn.; United States Life and Endowment, Chicago, Ill.

Casualty companies were organized with the following titles: Boston Casualty, Boston, Mass.; Columbia Plate Glass, Washington, D. C.; National Casualty, Detroit, Mich.; Union Mutual Casualty, Cleveland, Ohio; Union Protective (assessment), Boston, Mass.

The following were the new surety and bonding companies of 1904: Continental Surety, Chattanooga, Tenn., $200,000 capital, $125,000 surplus; Illinois Surety, Chicago, $250,000 capital; Indemnity Corporation of New York, $200,000 capital, $100,000 surplus; International Fidelity, Jersey City, N. J., $100,000 capital; Manhattan Bonding and Surety (incorporated under the laws of Virginia); Metropolitan Surety, New York, $500,000 capital, $50,000 surplus; Pittsburgh Surety, Pittsburgh, Pa., $25,000 capital; Workmen's Legal Security, Chicago, Ill., $50,000 capital.

Companies to do a health, sickness and accident business were organized as follows: American Assurance, Philadelphia, $100,000 capital; Continental Indemnity, Accident and Sickness, Parkersburg, W. Va., $100,000 capital; Interstate Accident, Des Moines, Ia.; Keystone Indemnity, Harrisburg, Pa., $25,000 capital; Loyal Indemnity, Newport, Ky., $100,000 capital; National Relief, Philadelphia, $25,000 capital; Penn Sickness and Accident Benefit, Leechburg, Pa., $25,000 capital; Security Health and Accident, Providence, R. I., $100,000 capital.

Among the companies organized to transact other kinds of insurance business were the Mutual Security of Waterbury, Conn., to protect manufacturers and builders against loss or damage by reason of riots, strikes or similar causes; American Birth of Boston; Mutual Life and Wage Guaranty of Atlanta, Ga., to insure lives and against loss of wages; Interstate Live Stock of Washington, D. C., $100,000 capital, and Equitable Horse Insurance Association of New York (assessment), to insure horses; Medical Service Company of Boston; Law and Order insurance company of Washington, D. C.

Capital was increased in 1904 by the Colonial Life of Jersey City, N. J., from $250,000 to $400,000; Central Accident of Pittsburgh, from $150,000 to $300,000; Great Eastern Casualty and Indemnity, from $125,000 to $150,000; New York Plate Glass, from $100,000 to $200,000. On the other hand both the Ætna Indemnity of Hartford and American Bonding of Baltimore reduced their capitals from $1,000,000 to $500,000.

The legal reserve life insurance companies which went out of business in 1904 were the Model Life of Indianapolis, absorbed by the Federal Life of Chicago; Insterstate Life of Cincinnati, merged with the Columbia Life of Cincinnati; Union Life of Indianapolis, reinsured by the Federal Life of Cincinnati, and Western Union Life of Chicago, reinsured by the Life Insurance Company of Pennsylvania. These were all small and unimportant companies.

Among the assessment life insurance concerns which disappeared were the American Annuity of St. Paul, Minn.; American Mutual Aid of Detroit; Baltimore Equitable Life; Continental Life of Des Moines; Monumental Life of Baltimore; Mutual Benefit Life and Trust of Des Moines; National Annuity of St. Paul, Minn.; Northwestern Annuity of Omaha; Old Wayne Mutual Life of Fort Wayne, Ind.; Security Life of South Bend, Ind.; State Life and Endowment of Minneapolis, Ind., and Workmen's Life of Columbia, S. C. The risks of the later were reinsured by the Metropolitan Life of New York. Some twenty small fraternal orders succumbed.

The following were among the casualty and surety companies which ceased doing business: American Casualty of Buffalo, merged with the National Casualty of Detroit; Bankers Mutual Casualty of Des Moines, reinsured by the Ætna Indemnity; Great Western Indemnity of Grand Rapids, failed; Industrial Casualty of Boston, failed; Northwestern Union Casualty of Duluth, Minn.; Peninsula Accident of Bay City, Mich.; Union Surety and Casualty of St. Louis, reinsured by the Maryland Casualty, and Union Surety and Guaranty of Philadelphia, failed.

DEATH ROLL OF 1904.

Agard, J. J., special agent of the Hartford Fire at San Francisco, died there suddenly September 30.

Allison, Burt M., Ohio and Tennessee general agent of the Employers' Liability Assurance Corporation, died at the Presbyterian Hospital, Chicago, January 26, aged 39 years.

Allison, Robert, president of the Equitable Life of Cincinnati, Ohio, died there of apoplexy on March 24.

Alvord, William, for many years chairman of the San Francisco, Cal., local board of directors of the Liverpool and London and Globe insurance company, died there of heart failure, December 21, aged 71 years.

Appleton, Julius H., vice president of the Massachusetts Mutual Life insurance company, died suddenly at Springfield, Mass., on July 6.

Armistead, John, at various times president of the Arlington, Citizens and Factories insurance companies of Memphis, died of pneumonia, February 26, aged 58 years.

Armstrong, Charles Bennett, insurance agent at Buffalo, N. Y., died there November 3, aged 71 years.

Ashley, John Harman, editor and proprietor of the *Insurance Advocate*, New York, died at Bound Brook, N. J., of pneumonia, April 6, aged 60 years.

Ater, William W., general agent of the Prudential insurance company at St. Louis, died there suddenly June 10.

Baker, H. P., secretary of the Chicago Life of Des Moines, died there in September.

Baldwin, Octavius Dunfram, former vice president of the Mutual Reserve Fund Life Association, died in New York city March 28, aged 70 years.

Barnes, Alfred C., charter member and director of the Metropolitan Plate Glass and Casualty insurance company, died at Brooklyn November 28.

Bates, Joseph, formerly a prominent underwriter in New York city, died at Brooklyn, May 19, aged 71 years.

Bedell, Chauncey, formerly vice president of the Phenix insurance company of Brooklyn, died at Nassau Hospital, Flushing, L. I., April 21, aged 70 years.

Beebe, Leonard V., life insurance agent at Utica, N. Y., died there of diabetes August 13, aged 64 years.

Beebee, Robert O., agent at Boston, Mass., died at Hyde Park, Mass., June 20, aged 58 years.

Bennett, M. C., agent of the Penn Mutual Life at Des Moines, drowned while bathing in the Mississippi River August 20.

Bentz, Richard R., Cook County special agent of the Niagara Fire, died at Chicago, February 15.

Bettle, William, ex-Insurance Commissioner of New Jersey, died at Camden, N. J., July 24, aged 74 years.

Block, Isidor H., agent at New Orleans, La., committed suicide at the Hotel Arnold, New York, August 13.

Boomer, James, Canadian manager of the Manchester Assurance, died at Toronto of hemorrhage of the brain September 13.

Bourne, Edward L., general agent of the Penn Mutual Life at Philadelphia, committed suicide by shooting at the Belgrade Hotel, Belgrade Lakes, Me., September 17, aged 60 years.

Brewster, William H., Boston insurance broker and former fire agent, died there suddenly of heart disease June 27, aged 55 years.

Bronson, Sanford French, general agent of the Hartford Life at Hartford, Conn., died there of heart disease November 14, aged 65 years.

Brown, Edward, senior member of the general insurance agency firm of Edward Brown & Sons, San Francisco, died following a surgical operation August 7, aged 65 years.

Buehler, H. B., agent at Harrisburg, Pa., died there February 1, aged 65 years.

Burridge, Arthur F., prominent member of the Institute of Actuaries of Great Britain, died March 28.

Butler, Arthur O., assistant superintendent of agents Conservative Life, died on a train near Denver, Col., July 11.

Butts, Bolivar, agent at Cleveland, Ohio, died at Saratoga Springs, N. Y., July 22.

Carr, Charles J., agent at Utica, N. Y., died there June 5, aged 50 years.

Cary, Eugene, Western department manager German-American of New York at Chicago, fell dead from apoplexy at a banquet given at St. Louis by the officers of the Louisiana Purchase Exposition to the visiting underwriters on the evening of March 22, aged 69 years.

Case, Claude L., local agent at Munising, Mich., died at Chicago, December 23.

Caspar, Charles, insurance broker at New York, died at New Rochelle, August 6, after an operation for appendicitis, aged 64 years.

Casseday, Morton M., manager of the Mutual Life of New York in Kentucky, died from cardiac paralysis at Louisville, June 10.

Chichester, John D., of Chichester & Yancey, agents at Birmingham, Ala., died at Johns Hopkins Hospital, Baltimore, following an operation for abscess of the lungs, December 5, aged 53 years.

Clower, John R., insurance agent at Opelika, Ark., died there July 3, aged 32 years.

Cole, John M., of Cole & Daly, agents at Canton, Ohio, died August 1.

Cole, John Orme, general agent of the Mutual Reserve Life at Portsmouth, Ohio, died at Birmingham, Ala., June 2.

Conner, John A., agent at Pittsburgh, Pa., died June 26, aged 72 years.

Converse, Elisha S., president of the Rubber Manufacturers Mutual of Boston, died at Malden, Mass., June 5, aged 84 years.

Craft, Samuel B., vice president of the United States Fire of New York, died from pneumonia at Plainfield, N. J., February 16.

Cromer, James, special agent of the Home of New York for Indiana, died at New York from typhoid fever July 27.

Crowell, Henry M., special agent of the Mutual Life for New Jersey, died of erysipelas at Newark, December 29, aged 41 years.

Crowell, Nathan, formerly New England manager of the Manhattan Life and vice president of the Boylston insurance company, died at Boston, May 30, aged 86 years.

Culver, Andrew Jackson, accident insurance agent at Minneapolis, Minn., killed by a switch engine there on October 31, aged 56 years.

Dart, Roswell P., Iowa general agent of the National Life of Vermont, died suddenly at Des Moines, May 23, aged 60 years.

Davenport, Lawrence M., agent at New Rochelle, died there from cancer August 25.

Day, Archibald, secretary of the Scottish Widows Fund, died at Blackheath, England, August 13, aged 74 years.

Day, W. G., Missouri general agent of the Provident Life and Trust, died in St. Louis, January 19, aged 57 years.

Dean, Martin, fire insurance agent at Rochester, N. Y., died there from Bright's disease November 16.

Dennis, Hugh C., former manager Hartford Life at St. Louis, died there April 18.

Desouchet, A. M., formerly local fire insurance agent at Indianapolis, died there December 20.

Deuchar, David, general manager and actuary of the Caledonian of Edinburgh, died there suddenly from gout November 6, aged 61 years.

Doolittle, Stoddard S., of Doolittle & Lewis, Deposit, N. Y., died from heart disease at Susquehanna, N. Y., September 9.

Dorrance, John Rice, agent at Providence, R. I., died there from a hemorrhage September 9, aged 74 years.

Downer, Frederick W., former president of the American Fire of New York, died at Lakewood, N. J., November 19, aged 78 years.

Drinkhouse, Samuel, president of the Insurance Company of Northampton County, Pa., died January 25 at Easton, Pa., aged 99 years.

Durham, Frederick A., founder of the *Underwriters' Review* of Des Moines and later assistant secretary of the National Life and Trust of Des Moines, died in that city following an operation for appendicitis on August 14, aged 35 years.

Edwards, Lewis, agent at Allegheny, Pa., died there April 10, aged 36 years.

Eldred, Lucius E., former president of the Worcester, Mass., Board of Fire Underwriters, died at Worcester, October 7.

Ellsworth, George H., assistant superintendent Metropolitan Life at Albany, N. Y., committed suicide there by inhaling gas March 18.

Estabrook, George A., special agent of the State Mutual Life of Worcester, Mass., died at Indianapolis, February 24.

Evans, Jesse C., insurance agent at Lima, Ohio, died there from appendicitis November 3.

Everett, Richard E., insurance agent at St. Louis, Mo., died there August 9.

Farley, Thomas S., of Farley & Phypers, Cleveland, Ohio, agents of the Travelers insurance company, died suddenly on a street car there October 27.

Farr, Moses Wadsworth, of Macomber, Farr & Co., agents at Hallowell, Me., died July 31, aged 72 years.

Farrar, W. J., life insurance agent at Toledo, Ohio, died there January 27, aged 64 years.

Ferguson, David, former vice president of the Wisconsin Fire and Marine of Milwaukee, died there December 1, aged 83 years.

Fitzgerald, W. T., agent at Baltimore, Md., died there of Bright's disease June 11, aged 79 years.

Fleener, D. F., general agent of the United States Casualty Company, died at Indianapolis from Bright's disease June 12.

Forward, Ross, Sr., adjuster of the Ætna of Hartford at Cincinnati, Ohio, died at Pleasant Ridge, Ohio, August 25, aged 83 years.

Foss, Fred J., Boston general agent of the Berkshire Life, died at Boston, February 26, aged 70 years.

Foster, William R., retired, for twenty years Michigan State agent of the New York Underwriters' Agency, died at Grand Rapids, December 29.

Free, Ardemus Romer, fire insurance agent at Peekskill, N. Y., died there of heart and kidney disease, December 24.

French, Elisha S., vice president of the Washington Life of New York, died April 5 at Elizabeth, N. J., from general debility, aged 78 years.

Fullington, Lindley M., life insurance agent at St. Johnsbury, Vt., died there April 21, aged 67 years.

Furness, George A., special agent of the Liverpool and London and Globe at Boston, Mass., died at the Relief Hospital there June 18, aged 50 years.

Goetz, Ferdinand, president of the American Casualty Company of Reading, Pa., died suddenly October 17.

Goff, G. W., agent at St. Paul, Minn., died at Los Angeles, Cal., January 20, aged 45 years.

Goodman, Timothy S., former secretary of the Equitable Fire of Cincinnati, Ohio, died there February 5, aged 79 years.

Goodman, William A., local agent at Chicago, died there of tumor of the brain May 9.

Goodrich, Thomas F., former vice president of the National Surety Company and former president of the Niagara Fire of New York, died from heart disease at Owego, N. Y., November 9, aged 71 years.

Gould, Major J. Henry, former president of the Economic Accident insurance company of Boston, died at Medfield, Mass., October 3, aged 73 years.

Gourlie, John H., former marine underwriter at New York, died at Greenwich, Conn., February 21.

Gorell, Robert A., J. P., the oldest insurance corporation director in the world on his retirement in 1902 and a shareholder in the Norwich Union Fire, died in November, aged 101 years.

Graves, Henry A., special agent of the Equitable Life at Detroit, Mich., died there November 10, aged 79 years.

Grinnell, Henry, insurance agent at Grand Rapids, Mich., died there from heart failure suddenly October 31, aged 86 years.

Grumbein, Harry W., insurance agent at Lebanon, Pa., died there September 15 from dysentery, aged 32 years.

Habrich, John J., life insurance agent and writer of New York city, died there December 25 at an advanced age.

Hall, Jerome B., general adjuster for the W. E. Rollo & Son agency at Chicago, died there suddenly February 18.

Hanson, Charles, joint owner of the Dominion Adjustment Bureau at Toronto, Canada, died there November 22.

Harris, J. B., agent at Valdosta, Ga., died by suicide October 31, aged 47 years.

Hatie, J. T., formerly president of the Mutual Fire of New York, died at Flushing, N. Y., from cirrhosis of the liver July 26, aged 52 years.

Heinking, William, Georgia special agent of the German-American, died at Chattanooga, Tenn., from paralysis August 16.

Henderson, William H., special agent of the Home Life of New York at St. Paul, Minn., died there from apoplexy November 10.

Henry, John D., special agent of the Ben Franklin of Pittsburgh, died at Idlewood, Pa., March 26.

Higgins, Lewis S., manager of the Northwestern Underwriters of Milwaukee, died there suddenly July 1, aged 39 years.

Hinckley, James W., president of the United States Casualty Company of New York and one of its incorporators, died suddenly from apoplexy at Eden Hill, Poughkeepsie, N. Y., April 11, aged 54 years.

Holden, Edwin R., agent of the Penn Mutual Life at Lynn, Mass., died from heart disease September 25, aged 63 years.

Holland, William A., insurance agent at Braddock, Pa., killed by a steamboat explosion at Louisville, Ky., May 25.

Holmes, John Grier, treasurer of the National Union Fire of Pittsburgh, Pa., died aboard the steamship Teutonic on the Atlantic Ocean September 6.

Holmes, S. R., former Western general agent of the Springfield Fire and Marine, died at Galesburg, Ill., November 27.

Hood, Frank P., of the Youngstown, Ohio, insurance firm of Hood & Osborne, died from heart disease January 2, aged 51 years.

Hopper, Charles T., one of the organizers and sometime secretary of the New Amsterdam Casualty Company, died at Paterson, N. J., April 5.

Hopkins, Herbert P., general agent State Mutual Life at Worcester, Mass., died there of acute indigestion December 28, aged 46 years.

Hopkins, Lewis Cheesman, formerly a prominent agent of the New York and Mutual Life insurance companies, died at Englewood, N. J., May 9, aged 76 years.

Horwill, William E., president of the Kings County Fire of Brooklyn from 1884 to 1889, died in Brooklyn, April 3, aged 62 years.

Hoskins, Crommell B., State agent of the Ætna Life at Knoxville, Tenn., died by suicide November 20.

Householder, Johnathan, agent at Pittsburgh, Pa., died at Swissvale, Pa., July 19.

Howland, Edward P., agent at Quincy, Mass., died there April 5.

Hull, H. H., of the Savannah, Ga., firm of Hull & Lathrop, died there from heart failure March 8, aged 44 years.

Ivey, Henry T., Jr., agent at Greenville, Miss., died there December 27.

Jackson, John J., former Deputy Insurance Commissioner of Maryland, died at Baltimore, April 16, aged 66 years.

Jackson, O. A., insurance agent at Atlanta, Ga., was drowned in Mobile Bay July 28.

Jacobs, Henry A., agent of the Equitable Life at Boston, Mass., dropped dead in the Hotel Cecil September 12.

James, Alfred, president of the Northwestern National of Milwaukee, died there from peritonitis December 4, aged 73 years.

Johnson, Robert F., agency manager of the Virginia Fire and Marine, died at Richmond, Va., May 11.

Jones, C. W., secretary of the Houston Fire and Marine of Houston, Tex., killed there October 5 by Hugh M. Swain, son of the president of the company.

Judd, Alfred B., home office superintendent of the Northwestern Mutual Life, died from cancer at Milwaukee, November 17.

Kallman, Henry P., superintendent of the inspection department of the Fidelity and Casualty Company of New York, died from acute Bright's disease at Hackensack, N. J., October 12, aged 46 years.

Kelsey, Jerome B., agent at Batavia, N. Y., died there from dropsy July 29, aged 63 years.

King, Calvin L., insurance agent at Binghamton, N. Y., died at Otselic, N. Y., from diabetes June 19, aged 76 years.

Kinney, Major John A., special agent of the Penn Mutual Life in Missouri, died at Hillsdale, Ill., January 20, aged 72 years.

La Blanche, Henry, insurance agent at Oconomowoc, Wis., died there September 12.

Ladd, H. E., agent at Minneapolis, Minn., died there January 15.

Lambert, Edward W., senior medical director of the Equitable Life Assurance Society, died at New York from heart disease July 17, aged 73 years.

Lane, John, adjuster at West Hoboken, N. J., died there March 17, aged 43 years.

Lavan, Peter S., Cleveland, Ohio, manager of the Royal of Liverpool, died at Fepello, Mexico, March 14, aged 24 years.

La Vayea, Arthur L., of La Vayea & Burridge, insurance agents at Cleveland, Ohio, died there March 18.

Law, Charles H., former manager of Law's insurance agency at Cincinnati, Ohio, died there March 16.

Laws, Alfred, local agent at Brockton, Mass., died March 2, aged 72 years.

Levy, Louis D., life insurance agent at New York, died by suicide September 7, aged 54 years.

Lewis, Charlton T., special counsel for the Mutual Life insurance company of New York, a charter member of the Actuarial Society of America and an eminent publicist, author and lawyer, died at Morristown, N. J., of cerebro-spinal meningitis May 26, aged 70 years.

Lindsay, A. G., agent of the Liverpool and London and Globe at Detroit, Mich., died there April 17.

Lothrop, William Kirkland, former secretary of the Washington Fire of New York and later president of the Ridgewood Fire and American Boiler insurance companies, died at New York, May 20, aged 93 years.

McGiffen, John F., agent at Pittsburgh, Pa., died there from pneumonia November 19, aged 66 years.

McIntyre, F. D., of Fraser & McIntyre, agents at Houston, Tex., died at Comfort, Tex., April 14.

McLaren, William P., second vice president of the Northwestern Mutual Life, died at Milwaukee from pneumonia March 2, aged 69 years.

Mack, Daniel, insurance agent at Elmira, N. Y., died there from heart disease September 22, aged 53 years.

Magill, Henry M., retired Western and Southern general agent of the Phenix of Brooklyn at Cincinnati, dropped dead while addressing the

members of the Western Union at the annual banquet at Frontenac on the evening of September 21, aged 70 years.

Mason, Herbert, former secretary of the Security of New Haven, died March 6, aged 53 years.

Meier, Herman W., agent at Milwaukee, Wis., died there November 27.

Meikle, James, former actuary of the Scottish Provident Society and member of the Actuarial Society of America, died suddenly at Edinburgh, February 3, aged 79 years.

Merrill, Homer, president of the Norwalk, Conn., Board of Fire Underwriters, died suddenly at Norwalk, July 31, aged 60 years.

Miller, Peter, insurance agent at Youngstown, Ohio, died there from apoplexy May 26, aged 63 years.

Mitchell, John L., former president of the retired Wisconsin Fire and Marine insurance company, died at Milwaukee, June 29, aged 64 years.

Mitchell, Richard H., agent of the Preferred Accident insurance company at Baltimore, Md., died there September 3, aged 79 years.

Moody, Malcolm, of Moody & Howe, of Brattleboro, Vt., died at Pasadena, Cal., February 6.

Morgan, Joseph A., inspector for the Fidelity and Casualty Company at Cleveland, Ohio, died there February 25, aged 46 years.

Neare, Douglas, insurance agent at Cincinnati, Ohio, killed in an automobile accident November 13.

Nelson, William C., secretary of the Kentucky and Tennessee Board of Fire Underwriters, died from heart disease at Louisville, Ky., July 2, aged 63 years.

Newell, George C., of Starkweather & Shepley, general insurance agents of Providence, R. I., died there from typhoid-pneumonia May 14.

Newton, Virginius, first vice president of the South Atlantic Life of Richmond, Va., died there May 26.

Niemann, H. H., president of the German-American of Pittsburgh, died in Philadelphia, May 15, aged 72 years.

Niver, James B., general agent of the Equitable Life at Boston, Mass., and formerly in the same capacity with the Mutual and the New York Life, died at Boston from pneumonia on January 27, aged 63 years.

Oliver, W. A., insurance agent at Jacksonville, Ill., died there August 16, aged 63 years.

Packer, Henry W., insurance agent at Menominee, Mich., died from cancer at Oshkosh, Wis., November 20.

Parker, James Anderson, representative of the *Insurance Field* at Atlanta, died at Louisville, August 29, from consumption, aged 26 years.

Pattison, Robert E., president of the Security Trust and Life insurance company of Philadelphia, died from pneumonia at Overbrook, Pa., August 1, aged 54 years.

Peckham, E. W., general agent of the Northwestern Mutual Life at Toledo, Ohio, died there May 19, aged 65 years.

Penniman, Edward J., second vice president of the United States Fidelity and Guaranty Company of Baltimore, died at Mount Washington, Md., from Bright's disease on February 21, aged 60 years.

Pinkerton, John Barbour, special agent of the Canada Life at Syracuse, N. Y., died there April 19.

Ploetz, William A., agent at Oshkosh, Wis., killed by falling from a tree August 30, aged 69 years.

Plummer, Hiram, agent at Indianapolis, died there August 14, aged 62 years.

Pocock, Edgar J., life insurance agent at Columbus, Ohio, died there May 18.

Rathke, Henry J., general agent of the Union Central Life at Milwaukee, Wis., died at Trinity Hospital there, following an operation for appenditicis, August 13.

Raymond, Henry S., former Insurance Commissioner of Michigan, died from heart disease at Detroit, May 17, aged 65 years.

Redding, James F., president of the Equitable Fire and Marine of Charleston, S. C., died there February 14 from heart failure.

Reddy, Anthony W., insurance agent at Newburyport, Mass., died there December 24, aged 72 years.

Reynolds, George, special agent of the Westchester Fire, died at Chicago, July 19.

Rice, Adolph E., adjuster and former member of the agency firm of Seddon & Rice, Brooklyn, N. Y., died there April 23, aged 50 years.

Richards, Walter E., agent at Holyoke, Mass., died by suicide January 27, aged 28 years.

Richardson, Edward A., of E. J. Richardson & Sons, Baltimore, Md., died there August 26, aged 76 years.

Richman, Isaac, agent at Cleveland, Ohio, died there August 1, aged 73 years.

Rife, Daniel, fire insurance agent and adjuster at Duncannon, Pa., died there from heart disease December 4.

Roberts, R. E., agent of the Metropolitan Life at Litchfield, Ill., died there from typhoid fever August 12, aged 41 years.

Roberts, R. Humphrey, agent of the New York Life at Pittsburg, Pa., died by suicide at the Hotel Savoy, New York city, December 24.

Rogers, Andrew N., agent at Rochester, N. Y., died at Brooklyn, N. Y., December 9.

Rohrer, M. M., Deputy Insurance Commissioner of California for thirty years consecutively, died at San Francisco, April 25, aged 74 years.

Romberg, Jacob, agent at New York city, died there July 10, aged 82 years.

Ross, Hugh, formerly for many years with the *Chronicle* of New York, died April 8.

Rowe, Richard, of Rowe & Porter, agents at Boston, Mass., died July 7, aged 71 years.

Rowell, Alfred, New Jersey general agent of the Ætna insurance company and special agent for New York city and Westchester County, died suddenly September 23 at Jefferson, N. H., aged 64 years.

Rumble, Stephen E., vice president of the Kansas City Life, died there from pneumonia April 3.

Sandford, Joseph Webster, adjuster at New York city, died June 8, aged 79 years.

Sandsum, Oliver Barker, an authority on insurance law and a former insurance agent, died at New Orleans, La., December 2, aged 75 years.

Sawyer, Azariah H., president of the Agricultural of Watertown, N. Y., died there November 1, aged 70 years.

Schoppe, Henry, agent of the Hamburg-Bremen at Newark, N. J., died there August 18, aged 75 years.

Schwartz, Gustave F., manager of the New York Life at Chihuahua, Mexico, died there by suicide July 1.

Schweer, George W., agent at Cincinnati, Ohio, died there August 16, aged 35 years.

Scott, Walter, agent at Erie, Pa., died suddenly June 12.

Seymour, J. C., formerly a prominent Southern field man, died at Atlanta, Ga., July 5.

Sheidler, David B., Indiana general agent of the Equitable Life, died at Indianapolis on January 31.

Sherfesee, Louis, manager for the Germania Life in South Carolina, died at Charleston, S. C., March 22, aged 61 years.

Sherman, Hoyt, founder of the Equitable Life of Des Moines, Ia., and its president from 1874 to 1888, died at Des Moines, January 25, aged 76 years.

Shove, Isaac, secretary of the Pawtucket Mutual Fire of Pawtucket, R. I., died there April 22, aged 71 years.

Simpson, George, Canadian manager of the Royal and Queens insurance companies, died from cerebral hemorrhage at Montreal, March 11, aged 41 years.

Smith, F. Beale, agent at Binghamton, N. Y., died there October 16.

Smith, Kilbourn W., senior member of the Knoxville, Ky., firm of K. W. Smith & Co., State agents of the Mutual Benefit Life, died at Louisville from heart disease April 11, aged 63 years.

Smith, Marshall J., insurance agent at New Orleans, La., died there June 19, aged 80 years.

Smith, Otis H., agent at Bath, N. Y., died there from cirrhosis of the liver June 20, aged 64 years.

South, James, agent of the Metropolitan Life at Bristol, Tenn., killed by a railroad train April 6, aged 47 years.

Spore, William D., life insurance agent at Mexico City, Mexico, died at St. Louis, Mo., August 10, aged 63 years.

Stearns, John K., Chicago general agent of the Connecticut Mutual Life, died there on January 2, aged 80 years.

Stearns, Nathaniel C., agent at Boston, Mass., died there January 11.

Stephens, Louis H., city agency superintendent of the Penn Mutual Life at Philadelphia, died suddenly at Philadelphia, March 23, aged 76 years.

Stevens, George L., president of the Massachusetts Mutual Accident of Boston, died there from paralysis August 9, aged 52 years.

Stevens, S. B., agent at Cincinnati, Ohio, died there April 9, aged 41 years.

Stewart, Walter D., superintendent of agencies South Atlantic Life, died from pleurisy at Decatur, Ga., February 20, aged 28 years.

Stiefel, Christopher, president of the German Mutual Life and the Jefferson Mutual Fire insurance companies of St. Louis, Mo., died there October 17.

Stoddard, Edward D., agent at Worcester, Mass., died there from apoplexy April 21.

Streeter, Joel P., former agent at Fulton, N. Y., died there November 2, aged 79 years.

Sugden, William E., president of the Hartford County Mutual Fire, died at Hartford, Conn., July 15, aged 83 years.

Swain, Charles M., president of the City Trust, Safe Deposit and Surety Company of Philadelphia, died in the Adirondacks, July 27.

Swane, W. B., president of the Houston Fire and Marine of Houston, Tex., died there December 20.

Swayze, Robert H., marine insurance agent at New York, died at Bound Brook, N. J., November 5, aged 64 years.

Sweeney, Edward J., secretary of the New York Insurance Brokers' Association, died suddenly at Brooklyn, January 3, aged 49 years.

Sweetser, Frank E., former president of the Washington Fire and Ma-

rine of Boston, died at Brookline, Mass., after a surgical operation, December 15.

Tallman, Harrison, district agent of the Penn Mutual Life at Williamsport, Pa., died there from acute indigestion September 17.

Tegethoff, Frank C., insurance agent at Glenville, Ohio, died there January 15, aged 68 years.

Thomas, William W., president of the Southern Mutual of Athens, Ga., died there November 30.

Thompson, Cleveland S., agent at New Haven, Conn., died there from Bright's disease January 29, aged 64 years.

Thompson, Hugh Smith, comptroller of the New York Life, died at New York from grip November 20, aged 68 years.

Tidd, E. B., State agent of the Fidelity and Casualty at Cleveland, Ohio, died there from inflammatory rheumatism April 24, aged 60 years.

Tobin, Joseph F., secretary and treasurer of the *Insurance Press* of New York and formerly connected with the *Chronicle* of New York, died at Brooklyn, January 17, aged 40 years.

Toby, Simoen, insurance editor of the New Orleans *Daily States*, died at New Orleans, May 4, aged 76 years.

Townsend, A. F., special agent of the Northern of London, died at St. Louis from heart failure February 7, aged 69 years.

Townsend, Charles H., general agent of the Travelers for Colorado, Utah and Wyoming, died at Denver, Col., November 18, aged 36 years.

Tuck, Henry, vice president of the New York Life, died at New York, September 2, aged 62 years.

Turner, Henry M., general agent of the Security Trust and Life at Nashville, Tenn., died there May 27, aged 46 years.

Vachon, A. W., special agent of the New York Life at Trinidad, Col., died by suicide October 14.

Van Campen, Hiram, agent at New Bedford, Mass., died there March 23, aged 90 years.

Van Cott, Cornelius, president of the Great Eastern Casualty and Indemnity Company of New York, died suddenly from heart failure in New York city, October 26, aged 66 years.

Vidor, Charles, insurance agent at Galveston, Tex., died there from heart disease September 14, aged 70 years.

Wagner, George E., agent at Philadelphia, Pa., died at Germantown, Pa., Ootcber 3, aged 62 years.

Waldron, Abraham, special agent of the Orient, at Chicago, died there February 7.

Ward, Sidney, secretary of the former Excelsior Life of New York, and later president of the former Government Life insurance company, died at New York, February 26.

Weil, A. L., agent at Paducah, Ky., died there October 26.

Welsh, Edgar, agent of the New York Life, died at New Orleans, La., from Bright's disease, March 29.

Whitcomb, W. H. S., general agent of the Equitable Life at Burlington, Va., died there June 1.

Whitney, Charles Carroll, secretary of the New York Life and former secretary of the Franklin Life, died suddenly in Brooklyn, March 4, aged 71 years.

Willson, Joshua T., insurance agent at Baltimore, Md., former secretary of the Merchants Marine insurance company, died there from consumption March 17, aged 49 years.

Wiseman, C. M. L., former special agent for the Home of Columbus, Ohio, and local agent at Lancaster, Ohio, died there February 28.

Wright, Edward L., insurance agent at Houghton, Mich., died from cancer July 26, aged 57 years.

Wright, William A., secretary of the Phenix insurance company of Brooklyn, died by suicide at his home in Freeport, L. I., March 2, aged 35 years.

Wyeth, Peyton, adjuster for the Union of Philadelphia, died by suicide at Brooklyn, N. Y., June 2, aged 33 years.

Zent, J. F., agent at Roanoke, Ind., died there from Bright's disease August 23, aged 55 years.

Mayor McClellan on New York's Water Supply and Fire Department.

Mayor McClellan made the following references in his annual message to the needs of the city of New York in water supply and fire department equipment:

The numerous evidences of the city's amazing development which give so much satisfaction to the people suggest at the same time important plans for the future. Our trade, commerce, and population grow at a rate that makes calculations on the future of New York mount into stupendous figures. The progress of today must make provision for the greatness of tomorrow. The rapid transit system planned but four years ago has already been overtaken, and we have been put to new projects to keep pace with our expansion.

Yet there is another problem quite as important, if not as constantly in the public mind as that of transportation. Health and the safety of property—two essentials to municipal advancement—demand adequate supply of pure water. When we have reached the limit of our supply we have reached the limit of our growth. Only last winter New York was warned by legislation which shut off access to desirable watersheds that the solution of this problem will become more difficult with each year's delay. Nor are the physical questions to be met in a day. Expenditures now to secure our supply will, I feel confident, be regarded as judicious and economical investment when the city of 4,000,000 shall have attained 10,000,000 inhabitants.

Recently the board of estimate and apportionment received from the commissioner of water supply, gas and elcetricity a report predicated on the findings of the Burr Water Commission, recommending the adoption of a plan for acquiring watersheds and building aqueducts and mains, roughly estimated to cost $90,000,000. This report was committed to the three experts, Messrs. Burr, Freeman and Herring, who had previously made an exhaustive examination into the question in the interests of the city, and their opinions on the recommendation of the commissioner will be delivered to the board of estimate and apportionment some time this month.

If the city decides to take up the project, I believe the work should be placed in the hands of a commission, and I shall recommend a special enactment by the Legislature thereon. My own view is that the commission will be aided so materially by the mass of information and suggestion now in the city's possession that its preliminary inquiry will be correspondingly shortened and the actual work of construction may begin some time this year.

I believe the enterprise will be safeguarded by constituting a commission in this manner: One member appointed from a list certified to the mayor by the governing body of the Chamber of Commerce, one member appointed from a list certified to the mayor by the American Society of Civil Engineers, and the third member to be named by the mayor. Such a commission should secure the highest efficiency. If correct business administration could be had through a bi-partisan body, I should favor so constituting it, but the experience of the city with a bi-partisan police board and a bi-partisan aqueduct commission has demonstrated the signal failure and irresponsibility of that method of administration.

The act creating this commission should enable it to so plan its work as to utilize the energy that may be developed from the water power. Since we are at the disadvantage of taking our supply from distant watersheds and piping it down from the higher levels up State, the water should be made to earn its own passage. Experts have estimated that many millions of horse power may thus be created and put to many uses to bring revenues to the city. Only an insignificant part of this power, for example, would be needed to provide the energy to light the city with electricity.

This project is as vital to the other boroughs as it is to Manhattan and the Bronx.

Although large appropriations have been expended in almost every variety of improvement and extension, and will be continued on a generous scale, the water supply and service of Brooklyn do not, in consequence, measure up to the standard required for that rapidly developing borough.

Brooklyn's needs are partially supplied by private enterprise. As for that matter, more than half the territory of Queens Borrough, and almost the whole of Richmond Borough, are similarly supplied. The increasing demand of the citizens of those two boroughs for the enlargement and improvement of their water supply service may ultimately result in their being entirely supplied by the city.

Confident that the importance of this whole subject of water supply warrants immediate and affirmative action, and equally confident that the people of this city prefer to handle a proposition of such magnitude themselves, and acting solely in what I believe to be the interests of these five boroughs, I beg to recommend to the public that a commission be created, as I have suggested, with full authority to conduct the undertaking.

FIRE DEPARTMENT.

The efficiency of the fire department has been largely increased during the year 1904, not only by the addition of 419 firemen, but also by the repair of an old fireboat, the building of a new one, and various improvements of that character.

Precautions taken by the city government to prevent the recurrence of such a disaster as the Iroquois Theatre fire in Chicago in December, 1903, have evidently been effective, for the insurance

companies now recognize the diminished risk of such an event by reducing the rate of insurance in a marked degree.

The most pressing need of this department at the present time, and of a part of the city, is the extension of the paid fire department system throughout the more thickly settled sections of the boroughs of Richmond and Queens.

Commissioner Folk Rules That the Preliminary Term Plan Does Not Violate the Tennessee Statutes.

Commissioner Folk, of Tennessee, has rendered the following ruling in reference to the preliminary term plan in whole life, limited payment or endowment policies at the request of an applicant for his official opinion:

You have requested my opinion, as Insurance Commissioner, on the question as to whether certain life insurance policies written on what is known as the "one year preliminary term" plan are in violation of Section 28, Chapter 160, Acts of 1895. The clause of this section applicable to this question is as follows:

"That no life insurance company doing business in Tennessee shall make or permit any distinction or discrimination between insurants of the same class and equal expectation of life, in the amount or payment of rates charged for policies of life or endowment insurance, or in the dividends or other benefits payable thereon, or any other of the terms and conditions of the contracts it makes."

The one year preliminary term plan, as its name implies, means that the first policy year is term insurance, and the subsequent policy years are either on the whole life plan, the limited payment plan or endowment plan, according to the terms of the policy.

As I understand your inquiry, you desire my opinion as to whether it is a violation of the law quoted above for a life insurance company to charge rates varying in each case for the same age for policies giving non-continuable one year term insurance, for policies giving one year term insurance to be followed by insurance for whole life, for policies giving one year term insurance to be followed by limited payment insurance, and for policies giving one year term insurance to be followed by endowment insurance.

The statute quoted above reads that "no company shall make or permit any discrimination or distinction between insurants of the same class," etc. This leaves this question to be considered: Are these policies of the same class? If there should be no other valuable thing or advantage in one of these policies over another, then the charge of discrimination would undoubtedly lie. But, while it is true that the first year's premium on each of these policies pays for one year term insurance, and while it is true that the premium in each case is different, although the death benefits during the first year to the assured are the same, it is also a fact that the purchaser of the policy which is to be continued at the option of the assured, as a life policy, obtains that option, while the purchaser of the policy which is to be continued as an endowment policy obtains that option, and so on for each of the forms, and it is also true that these options cannot be obtained except by the payment of the respective first year's premiums.

I am, therefore, of the view that while the first year is term insurance, it is not merely term insurance but also involves the valuable options for which a company has the right to charge a consideration, and that a fair construction of the contracts is that the first premium covers this consideration as well as the consideration for insurance for one year.

I am clearly of the opinion that insurants having these different options are in different classes, and if any company admits to each of these classes of insurance persons of the same age and equal expectation of life, without charging them different premiums for the same class of insurance, that is, the class of insurance involving the same benefits and options, it is not guilty of a discrimination.

To further elucidate my views and conclusions expressed above I will go more fully into a discussion of the subject, presenting several illustrations which I think cover the points involved.

It is my opinion that an insurance policy providing that the first year shall be term insurance and the subsequent years a whole or limited payment life or endowment policy, involves two distinct and separate contracts. One contract is for insurance for one year, and the other is for a whole or limited payment life, or endowment insurance.

The commissioner enters upon several illustrations of the working of the preliminary term plan in given cases, and concludes as follows:

You do not ask my opinion on the question whether the preliminary term contract violates the legal reserve laws of Tennessee, and I shall not enter into a discussion on this subject at this time, but I desire to say that, in my opinion, it does not..

Course of Lectures on Insurance in the University of Pennsylvania.

Professor Solomon Huebner, who has charge of the course of lectures upon insurance in the Wharton School of Finance and Commerce of the University of Pennsylvania, has arranged the following program for the session beginning with this month:

F. C. Oviatt, editor Philadelphia *Intelligencer*, "Economic Relation of Life Insurance to Society." Review of Fire Insurance in the United States; Policy Contracts, Fire Insurance.

L. G. Fouse, president Fidelity Mutual Life insurance company, "Policy Contracts, Life Insurance; Organization and Management of the Agency System."

M. M. Dawson, F. I. A., consulting actuary, "Assessment Insurance: Fraternal Insurance."

John W. Hamer, manager loan department Penn Mutual Life insurance company, "The Investment of Funds in Life Insurance."

J. B. Gibb, of the actuarial department Penn Mutual Life insurance company, "Calculation of Life Insurance Premiums."

Frederick L. Hoffman, statistician Prudential insurance company, "Industrial Insurance."

S. H. Wolfe, consulting actuary, "State Supervision of Insurance."

J. H. Jeffries, of the Penn Mutual Life insurance company. "Lapses and Reinstatements."

Henry C. Lippincott, manager of agencies Penn Mutual Life insurance company, "Essentials of Life Insurance Administration."

Charles A. Hexamer, president National Fire Protective Association, "Rate Making in Fire Insurance."

Everett N. Crosby, general agent North British and Mercantile insurance company, "Fire Prevention."

Edson S. Lott, secretary and manager United States Casualty Company, "Accident Insurance."

W. F. Moore, president New Amsterdam Casualty Company, "Employers' Liability Insurance."

Hon. Edwin Warfield, president Fidelity and Deposit Company, "Fidelity Insurance."

Inflammable Dust and Fires.

(*Translated from L'Argus, Paris.*)

It should be continually borne in mind that certain kinds of dust, continually in contact with vapors emanating from gas or fluids, are exceedingly dangerous in the air which they permeate. A spark from a short circuit or something less—for certain kinds of dust may be ignited by their own friction—is sufficient to cause a fire, and under certain circumstances a worse catastrophe.

We detail a process which apparently will be useful in lessening the residue of dust. It is suggested by the reports of several inspectors of labor and is very simple.

It is a recognized fact that a wet cloth of any dimensions will absorb a great quantity of dust. In the factories at Oyonnax, where celluloid combs are manufactured, the dust is very inflammable and dangerous to breathe. There the machines are surrounded by transparent screens, which prevent any escape of dust, without hindering the workman.

A number of inspectors praise the use of water. Regarding polishing wheels used in many industries an inspector of Montpellier writes:

"In my opinion reservoirs filled with water should be placed

below polishing wheels and rotary brushes in such a manner that a wet cloth could be brought as near as possible to such wheels or brushes. I have proved that by so doing, during the operation of the machines, all the dust is absorbed, and, so to speak, imprisoned in the water so completely that the workers are absolutely protected from the harmful emanations."

An engineer of Beziers also writes:

"It is sufficient to operate a wheel for only a few moments to prove that a very fine dust is deposited in large quantities on the surface of the water in the reservoir."

A division inspector of Limoges says that the porcelain workers also use this method of getting rid of dust. A blower carries the powdery material downward into a vat of water. This process is alike simple and valuable for the purpose required.

Saved by the Scissors.

GILT EDGE SECURITIES.

There is a great difference between contemplation and reality. Most people contemplate serenely, but do not realize the results of their meditation.

That is to say, they are dreamers and not producers. Day dreams are quite as plenty as dreams in the night.

But no man is ever knighted on account of dreams in the night, which are castles in the air, or by day dreams either, for that matter.

It is the man who knows how to make his dreams of policies written materialize into real facts that insurance companies are looking for.

To know the hyphen or coupling iron that joins thought and act is to know a deal more than is taught in most colleges. It is to know how to induce the man to sign applications. The man you dream about and the man who signs may or may not be the same.

This knowledge of how to bring things to pass is not taught in the universities. Executive ability is very scarce. When found it commands its own price. Can we be told what it is? Can we explain why some men do and other only think they will do? Let us try.

The man who does things is the man who dreams. This is first. We did not mean to say it was not. To do that would be to discount brains. He is, however, the man who leaves his office and begins to call on and talk to somebody.

He is the man who does not wait for somebody to come to him, but who persuades somebody to hear what he has to say. He goes for somebody. He continues to go. He never stops because there is always somebody to whom he can go.

He is the man who, never disheartened by failure here or there, goes right ahead. The producer is largely a talker. Good talking is just as much a science as chemistry.

The good talker has his story clearly in his own mind. He frames it into words, plain words, and then in a cheery, confident way he talks it to everybody he meets. Short stories make long friends, so do short visits. "Brevity is the soul of wit."

Of all the men in the world the insurance agent must not be long winded. The busiest man will stand a few minutes' conversation, but will not be bored with half an hour of your harangue. General Grant once said he could tell all he knew of any subject in five minutes.

Make centre shots. Condense. Fire no blank cartridges. Mix lots of sunshine. Think over what you need to say. Having thought long, speak quick. Do not be abrupt, but pointed. Tired out with repeated refusals to listen to his long yarn, a beggar mounted some long steps, pulled the bell, and when the door opened, said: "Please, marm, give me something to eat; I am so thirsty I have no place to sleep tonight."

Use your brains beforehand. When Locke (Petroleum V. Nasby) was wandering about like a tramp in New York city he asked a man if he could show him some place where he could get a lodging for 25 cents. The man took him to a Bowery lodging house. As he turned to go Nasby said: "Can you tell me where I can get the 25 cents?"

Contemplation and reality. The difference—that's it. A man with weary days of toil dug a deep well. Just as it was finished it fell in. He hung his hat and coat on the windlass and went into a nearby barn, discouraged to his heart's centre. People going by saw a catastrophe. The man was covered up at the bottom. They rallied, pulled off their coats and dug the sand out. Then the man walked out of the barn tickled almost to death.

Dreams are sweet and work is bitter, but we must have the work. Visions are necessary precedents of all results, but are valueless without the result. Hitch your wagon to a star. That is fine, but where will you bring up? The architect had to dream out a noble building. Its lofty and elegant proportions, however, are the result of much toil.

Dream of a great business. At night and day plan out your work. But remember, unless the engine is coupled to the cars they move not. Overcome therefore any tendency to idleness, take off your coat and go to work.—*The Security Agent.*

SAFE AND VAULT CONSTRUCTION.

The expressions "fireproof" and "burglar proof" are trade terms only, and are intended by the manufacturers to distinguish safes which are built for protection against fire only from those which are built for protection against burglars. Frequently safes are so constructed that they are termed both fire and burglar proof. In such cases the burglar proof safe is usually placed within a larger fireproof safe called the "jacket."

Fireproof safes consist of a shell constructed of two thin iron plates about 4 inches apart with a filling of concrete in between. The bolt work of the door is unexposed. The door is usually secured by a combination lock, never by a time lock.

Burglar proof safes are constructed either of solid cast steel or of solid steel plates securely fastened together. Unlike fireproof safes, the bolt work of the door is exposed. The door is usually secured by a time lock; sometimes by both time and combination locks, but seldom by a combination lock only. In order to be termed burglar proof such steel doors must be at least 2½ inches in thickness, exclusive of frame work to which the bolting device is attached.

Burglar proof chests are constructed in the same manner as burglar proof safes.

Where the safe is of fireproof construction and contains an inside burglar proof chest, the outside door is always secured by a combination lock; the chest door is usually secured by a time lock, though occasionally upon old chests and upon new chests of inferior construction a combination lock only will be found.

Fireproof safes containing burglar proof chests frequently have between the outside door and the chest a thin middle door secured by key lock, and intended for additional fire protection for the books contained in the space above the chest.

Where the safe is of burglar proof construction, containing an inside burglar proof chest, the time lock is usually upon the outside door, the combination lock upon the inside door.

Occasionally safes contain more than one chest. Those chests only, however, can be termed burglar proof which have doors at least 2½ inches in thickness exclusive of bolt work.

Round or screw door burglar proof safes do not contain inside chests.

Round or screw door burglar proof safes, just as in the case of square door burglar proof safes, are frequently placed within a larger firproof safe called the jacket.

Vaults usually possess two doors, an outside door and an inside door. The same distinctions of fireproof and burglar proof construction apply as in the case of safes, except that fireproof vault doors seldom possess a filling, the same purposes being accomplished by a 3 foot air space between the outside and inside doors. These doors are made of iron one-half inch in thickness. The outside door is secured by combination lock and by four or six bolts. The inside door is usually secured by a key lock.

Buglar proof vault doors are constructed upon a larger scale, but in the same manner as burglar proof safe doors. They are secured by time locks, and must be at least 3 inches in thickness and have twelve or more bolts.

Vault Walls.—A vault constructed with brick walls can be termed of fireproof construction only, irrespective of the thickness of the walls. When top and bottom and all four sides are lined with steel plates one-half inch or more in thickness the vaault is termed burglar proof, provided also it has a burglar proof door. When top and bottom and all four sides are constructed of granite 3 feet in thickness the vault is termed burglar proof, provided it has a burglar proof door.

All vaults should rest upon a foundation of stone imbedded in concrete.—*The Bulletin, U. S. Fidelity and Guaranty Company.*

OBLIGATIONS OF INSURER AND INSURED.

A policy is a contract. It imposes mutual obligations on the company and on the insured. In accepting the policy, the insured warrants the statements he makes regarding his risk

to be true; in consideration of these warranties and a given premium, the company undertakes to carry the risk, subject to stated conditions. Each party to the contract may be reasonably expected to abide by its provisions. It is unreasonable to expect more from either. In event of loss, justice requires that the company meet its obligations according to the terms of the policy contract, but it requires no more. If the insured has wilfully misstated the facts regarding his risk, or has deliberately transgressed the conditions of his policy, neither in law nor in morals is it incumbent on the company to go outside of the contract and pay the loss.

Such is the conclusion from the standpoint of obligation or right. How does the matter appear when viewed from the standpoint of expediency? Are there not times when the company should go beyond the requirements of the contract in making its claim adjustments? Unquestionably. And, as a matter of fact, the company frequently does so. In thus exceeding its obligations, the company aims to help its agents and to benefit itself. It recognizes that it is often wise to be liberal.—*Fidelity and Casualty Bulletin.*

STICK TO IT!

Focus your ability upon one point until you burn a hole in it.

Genius is intensity. Digression is as dangerous as stagnation. He who follows two hares catches neither.

The best way to keep a gun from scattering is to put into it but a single shot.

Field crossed the ocean fifty times to lay one cable.

Grant said: "I will fight it out on this line if it takes all summer."

In thirty-six years Noah Webster wrote but one book. But that will be remembered.

It is the single aim that wins. Only by concentration can you work out a satisfactory system. Get your mind on it and keep it there. Watch every point—take care of every detail. Follow up your men. Never stop pounding—never let up. Hang on with a bulldog grip till you get the thing done.

No good system ever just happened. It was wrought out by the hammer of concentrated thought on the anvil of hard work.—*System.*

SIXTH ANNUAL STATEMENT OF THE INTERSTATE LIFE INSURANCE COMPANY,

CHARLES A. SUDLOW, President. Indianapolis, Ind.

JANUARY, 1, 1905.

ASSETS.

Mortgages on Real Estate	$213,933.00
Cash in Banks, Trust Companies and Home Office	67,494.51
Loans to Policy-holders, Secured by the Reserve Value of Their Policies	831,780.84
Accrued Interest	18,923.96
Premiums Due and Unreported, on Policies in Force December 31, 1904, after Deducting Commissions and all Expense of Collections	91,169.51
Office Furniture, Fixtures and Supplies	9,216.36
Total Assets	$1,232,518.18

LIABILITIES.

Reinsurance Reserve on all Outstanding Policies as Computed by the Actuary of the Insurance Department of Indiana	$958,948.00
Premiums Due in 1905 Paid in Advance	924.58
Accrued Interest on Scrip Dividends	663.10
Total Liabilities	$960,535.68
Surplus to Policy-holders	21,982.50
	$1,232,518.18

COMPARATIVE STATEMENT.

Amount of increase during 1904 as compared with 1903.

	Assets.	Surplus.	Income.	Assurance in Force.
December 31, 1904	$1,232,518	$271,982	$776,558	$10,398,497
December 31, 1903	857,278	217,422	625,142	7,760,335
Increases	$375,240	$54,560	$151,416	$2,638,162

	Per Cent.
Increase in Total Income	25
Increase in Assets	44
Increase in Surplus	25
Increase in Assurance in Force	34

COMPARATIVE STATEMENT FROM 1899 TO 1904 INCLUSIVE.

	Assurance in Force.	Income.	Gross Assets.	Surplus to Policy-holders.
1899	$1,477,299	$122,590	$140,649	$35,709
1900	2,572,932	130,935	192,699	44,808
1901	4,044,475	193,627	270,575	62,305
1902	5,300,532	344,285	481,807	158,264
1903	7,760,335	625,142	857,278	217,422
1904	10,398,497	776,558	1,232,518	271,982

55th ANNUAL STATEMENT OF THE NATIONAL LIFE INSURANCE CO.

(Mutual)

OF MONTPELIER, VERMONT.

Joseph A. De Boer, President.
James T. Phelps, Vice-President.
James B. Estee, 2d Vice-President.
Osman D. Clark, Secretary.
Harry M Cutler, Treasurer.
A. B. Bisbee, M. D., Medical Director.
Clarence E. Moulton, Actuary.
Fred. A. Howland, Counsel.

JANUARY 1, 1905.

CASH INCOME.

Premiums	$5,097,183.14
Interest and Rents	1,383,088.38
Considerations for Annuities	414,742.02
TOTAL	$6,895,013.54

DISBURSEMENTS.

Death Claims	$1,115,833.78
Dividends and Annuities	320,959.01
Endowments and Surrender Values	993,295.92
Taxes, Commissions and all other Disbursements	1,532,328.95
INCOME SAVED	2,932,595.88
TOTAL	$6,895,013.54

ASSETS.

Bonds and Stocks	$11,827,881.00
Mortgages, First Liens	12,153,742.02
Policy Loans and Premium Notes	4,198,627.42
Real Estate, Book Value	1,215,476.08
Loans on Collateral	16,500.00
Cash, in Banks and Office	819,998.41
Interest and Rents due and accrued	524,078.51
Deferred and Unreported Premiums	640,878.70
Due from Agents	1,271.53
TOTAL	$31,398,453.67

LIABILITIES.

Insurance Reserves	$25,599,592.69
Annuity Reserves	1,773,904.17
Extra Reserves	282,705.31
Trust Fund Reserves	68,610.99
Death Claims under adjustment	27,192.69
Liabilities	188,371.92
SURPLUS	3,458,075.90
TOTAL	$31,398,453.67

THE YEAR 1904 SHOWS.

Increase in Insurance	$9,068,776
Increase in Assets	3,034,656
Increase in Income	414,550
Increase in Payments to Policy-holders	372,283
Increase in Surplus	529,766
Insurance Issued	23,961,694
Insurance in Force	134,761,554

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1904

On the 1st of March, 1904, **The Connecticut Mutual** reached a stage in its history very interesting to its management and its members, and one which is unique in the history of American Life Insurance.

On that date, but little more than fifty-eight years from its organization, it had received from its members in premiums the sum of $228,376,268, and had returned to them or their beneficiaries $228,724,073, or $347,805 more than it had received from them.

The Connecticut Mutual is the first American Life Insurance Company to return to its members one hundred per cent. of its receipts from them. And it holds besides $65,000,000 of assets, with a surplus of over $4,600,000, to protect over 70,000 policy-holders insured for over $166,000,000.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1826. THE 1904.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Reinsurance and all Liabilities,	3,342,171.20
Surplus,	2,519,442.31
Total January 1, 1904,	$6,261,613.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

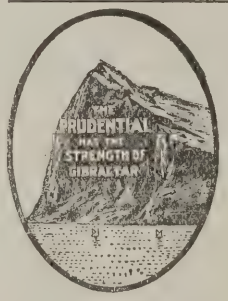
INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P. and Managing Director.
UNITED STATES STATEMENT, JANUARY, 1904.

Assets	$2,892,818.10
Surplus in United States	784,807.80

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men. The Grand Prize was awarded the Prudential at the St. Louis Exposition.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, President.

Assets (Market Values) January 1, 1904	$87,458,889.12
Liabilities	80,748,046.91
Surplus	6,710,842.23

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 10 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston and St Louis.

ASSETS, $105,656,311.60

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1903 averaged in number one for each minute and a third of each business day of 8 hours each and in amount $89 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1903:

359 per day in number of Claims Paid.

6,297 per day in number of Policies issued.

$1,303,559.06 per day in New Insurance Written.

$98,582,76 per day in Payments to Policy-holders and addition to Reserve.

$53,841.18 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$48,175,913.27
Bonds and Mortgages,	31,814,193.06
Real Estate,	14,835,140.61
Cash,	5,301,220.90
Loans to Policyholders,	1,850,144.14
Premiums deferred and in course of collection (net)	3,000,401.30
Accrued Interest, Rents, etc.	679,298.32
	$105,656,311.60

LIABILITIES.

Reinsurance Fund and Special Reserves,	$94,008,251.00
All other Liabilities,	956,188.04
Capital and Surplus,	10,691,872.56
	$105,656,311.60

Paid to Policy-holders since Organization, plus the Amount now invested for their Security, ... $238,295,968.84

Number of Policies in Force, . . . 7,523,915

Amount of Outstanding Insurance, . . $1,342,381,457.00

Amount of Insurance Issued in 1903, . . $393,889,074.00

RECORD OF GROWTH IN TEN YEAR PERIODS

	Income	Assets	Surplus	Pols. in Force	Outstanding Ins.	
1883—	$2,082,619.05	$2,186,622.24	$627,368.24	531,048	$63,425,107.00—	1883
1893—	15,216,236.65	19,343,705.06	4,109,689.92	2,940,226	353,177,217.00—	1893
1903—	49,887,804.11	105,656,311.60	10,691,872.56	7,523,915	1,342,381,457.00—	1903

In its Ordinary Department policies are issued for from $1,000 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice-President.
GEORGE H. GASTON, 2d Vice-Pres.
GEORGE B. WOODWARD, 3d Vice-Pres.
FRANK O. AYRES, 4th Vice-Pres.
JAMES M. CRAIG, Actuary.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.78
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$25,500,000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Sec'y.

Agencies in all the principal cities of the United States.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1904.

Cash Capital	$1,000,000.00
Premium Reserve	2,178,043.74
Reserve for Losses under Adjustment	148,061.89
Reserve for all other Claims	5,263.89
Net Surplus	2,518,464.11
Total Assets	$5,849,833.63

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

Promises Pleasingly Placed

In UNION MUTUAL policies. Modern contracts, convincingly arranged, with insurance guarantee, rights and values completely set forth before mention of premium rate. Lengthy explanations unnecessary — every feature plain and simple. Easy to understand; quick to sell.

UNION MUTUAL LIFE INSURANCE CO.

Portland, Maine.

FRED E. RICHARDS, President. **ARTHUR L. BATES, Vice-Pres't.**

Always a place for active agents who hold business written.

APPLY TO EITHER

EDSON D. SCOFIELD, Superintendent, 180 Broadway, New York City.
THORNTON CHASE, Superintendent, 84 Adams Street, Chicago, Ill.

How's Your Backbone? Can You Stand Alone?

Agents who can answer "strong" and "yes" to the above questions and who want to be advanced more than they want advances, can secure splendid contracts with liberal renewal commission guarantees from the

Security Trust and Life Insurance Co.

BROADWAY and 26th STREET, NEW YORK.

Hon. R. E. PATTISON, President.
Hon. GEO. B. LUPER, 2d Vice-President and General Manager.

ADDRESS FOR TERMS

Moore Sanborn, 4th Vice-President and Manager of Agencies.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1904,	$4,910,606.82
Cash Capital,	200,000.00
Liabilities, including reinsurance,	3,207,011.21
NET SURPLUS,	1,503,595.61

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

National Life Insurance Co.

OF VERMONT.

Established in 1850. Operating in 37 States.

JOSEPH A. DE BOER, President. H. M. CUTLER, Treasurer.
JAMES T. PHELPS, Vice-Pres. DR. A. B. BISBEE, Med. Director.
JAMES B. ESTEE, 2d Vice-Pres. C. E. MOULTON, Actuary.
OSMAN D. CLARK, Secretary. F. A. HOWLAND, Counsel.

This Company held January 1, 1904, and gained during the past decade:

ASSETS	$28,363,797.97	Gain, 187 per cent.
SURPLUS	2,928,310.16	" 158 per cent.
INSURANCE	125,692,778.00	" 104 per cent.

Sells the Most Modern, Profit Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance.

JOHN F. MAKLEY, General Manager,
149 Broadway, New York City.

THE METROPOLITAN PLATE GLASS AND CASUALTY INSURANCE COMPANY OF NEW YORK.

Home Office: 47 Cedar St.

Chartered 1874. The Oldest New York Company in Its Line.
Assets, January 1, 1904, $591,813.08.
Surplus to Policyholders, 389,895.29.

Plate Glass and Personal Accident Policies
OF THE MOST APPROVED FORMS.

EUGENE H. WINSLOW, President, DANIEL D. WHITNEY, Vice-Pres't
S. WM. BURTON, Secretary. ALONZO G. BROOKS, Ass't Sec'y.

RELIABLE AND ENERGETIC AGENTS WANTED.

THE STANDARD LIFE AND ACCIDENT INSURANCE COMPANY

INCORPORATED 1884. OF DETROIT, MICH.

All forms of Accident, Sickness and Liability Insurance.

D. M. FERRY, PRESIDENT.
E. A. LEONARD, SECRETARY.
W. C. MAYBURY, MNG. DIRECTOR.

Cash Capital, $250,000.00

C. A. TIMEWELL, Mgr. Metropolitan Dep't, 92 William St., New York.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1904.

Assets, held in the U. S. for the special protection of its American Policy-holders. $8,520,383 40

Liabilities, ... 5,204,870.83

Net Surplus, January 1st, 1904. $3,315,512.57

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

What is the use of saying "the best company," or "the strongest company," or "the largest company"? They all say these things.

We say simply

The Penn Mutual Life Insurance Co.

OF PHILADELPHIA. Organized 1847.

That tells the whole story

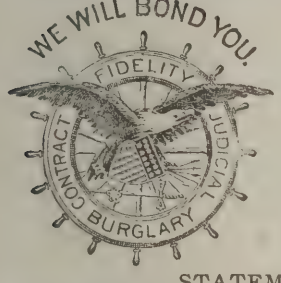
National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran



THE
United States Fidelity and Guaranty Company,

BALTIMORE, MD.,
16 West Saratoga St.

STATEMENT JULY 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,021,650.85
Special Surplus Fund	100,000.00
Surplus and Undivided Profits	462,362.78
Total Assets	$3,284,013.63

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, Gen'l Counsel

Established 1782.

Phœnix Assurance Company, Ltd.,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.
Head Office for the United States, 47 Cedar St., N. Y.
A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, JR., Sec.

1851 Phoenix Mutual Life Insurance Company 1904

OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance.
The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.
Protection for Self, for Family, for Business. Specimen policy, rates etc., will be given on application to the Home Office

JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

German American Insurance Company New York

CAPITAL INCREASED TO
$1,500,000
ASSETS
$12,074,306
NET SURPLUS
$5,633,249

Home Life Insurance Co.

OF NEW YORK.

GEO. E. IDE, - - - - PRESIDENT.

Admitted Assets	$15,102,840.00
Policy Reserve, etc.	12,754,653.00
Dividend Endowment Fund (Deferred Dividends.)	1,142,219.00
Net Surplus	1,126,769.00
Insurance in Force	69,410,582.00

C. H. Bunker, President. Franklin H. Head, Vice-President.
A. A. Smith, Secretary. H. G. B. Alexander, 2nd Vice-Pres. and Gen. Mgr

Continental Casualty Company

POLICIES ARE PROTECTED by more than ONE MILLION DOLLARS ASSETS.

Capital Stock, $300,000.00
Accident and Health Insurance
General Offices, Chicago

OVER FIVE MILLION DOLLARS paid in claims to 175,000 of our POLICY HOLDERS.

GOOD CONTRACTS IN GOOD TERRITORY TO GOOD MEN
Producers, address H. G. B. Alexander, 2nd Vice-Pres. and Gen. Mgr.
134 Monroe Street, Chicago.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851. *SPRINGFIELD, MASS.*

ASSETS—January 1, 1904	$33,590,999.39
LIABILITIES	30,943,508.01
SURPLUS	2,647,491.38

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Vice-President.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager of Agents for Southern New York

AGENTS WANTED

BY

The Manhattan Life

OF NEW YORK

Exclusive Territory Liberal Contracts

STRENGTH SECURITY SOLIDITY

SAFETY FUND INSURANCE.

NIAGARA

Fire Insurance Company
OF NEW YORK.

OFFICE:
135 & 137 BROADWAY.

THE PROTECTION OF ONE MILLION FAMILIES.

NEW YORK LIFE INSURANCE CO.

1845. *JOHN A. McCALL, President.* **1905.**

This company is Sixty Years old. The Sixtieth Report, covering the year 1904 and describing the assets in detail, is now ready. It will be mailed to any address on request.

1904 was the most prosperous year in the Company's history.

New paid business during 1904 exceeded 342 million dollars of insurance. This is 15 millions more than the new paid business of any previous year, by this Company; and 100 millions more than the new paid business of any previous year by any other regular life insurance company.

The expense ratio for 1904 is lower than for 1903.

This Company is purely mutual; it has no Capital Stock. The policy-holders are the Company and own the assets. Their title to the assets is recorded in 925,000 policies. The policies average about $2,100 each.

This company has returned to its policy-holders since organization in 1845 over 450 million dollars.

Cash payments to policy-holders during the single year 1904 amounted to over 40 million dollars. In addition, the Company loaned to policy-holders during the year on the sole security of their policies 17 million dollars.

The accumulations under 925,000 policies amount to 390 million dollars, cost value, an average of $420 per policy. These accumulations are required by law and for the fulfilment of the Company's obligations under these policies.

The Bonds owned aggregate at par 288 million dollars; they cost 287 million dollars; their market value is 294 million dollars. Not a single Bond is in default of interest.

This Company does not invest in stocks or industrial securities of any kind.

This Company files its Detailed Annual Report with the Department of Commerce and Labor of the United States; with the Insurance Department of the State of New York; with each one of the State Insurance Departments in the United States, and with the Governments of all the civilized countries of the world.

This Report, in all its details, including investments and general management, is therefore scrutinized by the severest Court of Critics in the world. No other list of securities held for any purpose presents so many official certificates of approval.

BALANCE SHEET, JANUARY 1, 1905.

ASSETS.

Government, State, City, County and other Bonds, cost value (MARKET VALUE, $294,309,761).		$287,062,384
(Company does not include in Assets the excess $7,247,377 of market value of Bonds owned over cost).		
Bonds and Mortgages (413 first liens)		23,595,105
Deposits in 489 Banks throughout the world (at interest $15,241,793)		17,694,110
Loans to Policy-holders on Policies as security (reserve value thereof, $50,000,000)		35,867,475
Real Estate, 23 pieces (including eleven office buildings, valued at $10,940,000)		13,257,500
Quarterly and Semi-Annual Premiums not yet due, reserve charged in Liabilities		4,086,171
Premium Notes on Policies in force (Legal Reserve to secure same $5,500,000)		3,331,618
Premiums in transit, reserve charged in Liabilities		2,746,326
Interest and Rents accrued		2,469,571
Loans on Bonds (market value, $783,565)		550,000
(Company does not invest in stocks.)		
TOTAL ASSETS		**$390,660,260**

LIABILITIES.

Policy Reserve (per certificate of New York Insurance Department), December 31, 1904		$336,222,459
All other Liabilities on Policies, Annuities, Endowments, etc., awaiting presentation for payment		6,909,661
Reserve on Policies which the Company voluntarily sets aside in excess of the State's requirements	$6,830,023	
Reserve to provide Dividends payable to Policy-holders during 1905, and thereafter, as the periods mature:		
To holders of 20-Year Period Policies	24,982,787	
To holders of 15-Year Period Policies	5,736,259	
To holders of 10-Year Period Policies	344,601	
To holders of 5-Year Period Policies	303,837	
To holders of Annual Dividend Policies	868,953	
Reserve to provide for all other contingencies.	8,461,680	
Total (not including $7,247,377 excess of market value of Bonds owned over cost)		47,528,140
TOTAL LIABILITIES		**$390,660,260**

INCOME, 1904.

New Premiums	$16,133,824	
Renewal Premiums	64,422,754	
TOTAL PREMIUMS		$80,556,578
Interest Receipts from:		
Bonds owned	$10,634,987	
Mortgage loans	1,069,232	
Loans to Policy-holders, secured by Policies	1,943,063	
Bank Deposits and Collateral Loans	702,056	
TOTAL INTEREST RECEIPTS		14,349,338
Rents from Company's properties		946,723
Profits realized on Securities sold during the year		499,688
Deposits on account of Registered Bond Policies, etc		538,945
TOTAL CASH INCOME		**$96,891,872**

DISBURSEMENTS, 1904

Paid for Death Claims ($19,734,245), Endowments ($5,051,629), and Annuities ($1,723,160)	$26,509,034
Paid for Dividends ($5,989,491), Surrender Values ($7,790,058), and other Payments ($95,279) to Policy-holders	13,874,828
Commissions and all other payments to agents $7,276,850 (on New Business of year $342,212,569); Medical Examiners' Fees $788,761, and Inspection of Risks $178,155	8,243,766
Home and Branch Office Expenses, Taxes, Legal Fees, Advertising, Equipment Account, Telegraph, Postage, Commissions on $1,586,396,739 of Old Business and Miscellaneous Expenditures	11,204,101
*TOTAL DISBURSEMENTS	$59,831,729
Balance for Reserves—Excess of Income over Disbursements for year	37,059,543
*The Expense ratio for 1904 is lower than for 1903.	
TOTAL DISBURSEMENTS AND BALANCE FOR RESERVES	**$96,891,272**

New Business Paid for in 1904 (185,367 Policies), - $342,212,569
GAIN IN 1904 (4,249 Policies), $15,554,323.

Total Paid-for Insurance in Force (924,712 Policies), $1,928,609,308
GAIN IN 1904 (112,001 Policies), $183,396,409

The Weekly Underwriter:

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THE president of the Prudential insurance company is no longer to be a lonely insurance Senator. He will be joined on March 4 by the president of the Ætna Life insurance company, whose overwhelming victory in the legislative caucus on Thursday insures his return as the next United States Senator from Connecticut. Transportation, banking, manufacturing and agricultural interests are plentifully represented in Congress, and it is only proper that an interest of equal importance, and potentially even greater, should have its spokesmen there. Men with brains enough to be life insurance presidents are excellent senatorial timber, and we look to Senators Dryden and Bulkeley to be the nucleus of a goodly company of the future.

IT is of some interest to look into the conformation of a mind incapable of understanding the value of life insurance. Occasionally there is heard from out of the wilds a voice raised in protest and reviling, and the world pauses a minute and wonders. It has remained for the Rev. Mr. Heckel, of Chattanooga, to take the record away from his Dunkard and Mennonite brethren as a good man utterly gone wrong when he looks at life insurance. Curiosity as to his unreasons may be satisfied by reading extracts from his recent address at a convention of the German Evangelical Lutheran denomination, which we print elsewhere. Briefly, Pastor Heckel objects to life insurance because it is a gambling game, a speculation in human life and death, based not on charity and loving kindness, but on covetousness and greed of gain, and thriving by usury; the fruit of unbelief; because it distrusts the promises of a generous Maker that He will take care of His creatures; because it teaches them to rely not upon God but upon the mammon of unrighteousness; because it instigates to murder and kindred sins. It would be useless to argue with such perverseness, and its only worth is as a curio. One cannot help wondering if the reverend gentleman depends wholly upon Providence for his salary and never has to hustle among delinquent parishioners for it.

IT is difficult to find fitting words to characterize the amazing deliverance of Governor Davis on insurance in his message to the Arkansas Legislature. We have heard not infrequently from the man before on this subject, but he never went quite so far as now. Certainly no American executive in his senses ever thus addressed a coequal branch of the government and a body of men deriving their representative quality from the same source that he does. Notwithstanding the Legislature is composed of members of both political parties, he harangues it as a purely Democratic gathering and threatens it, as he does the Supreme Court bench of the State, with political annihilation if it disobeys his commands. He candidly avows his desire to shut the insurance companies out of the State. "I am not a believer in fire insurance at the best," he vociferates. What manner of public official is this that is capable of bullying the law making and judicial powers as if they were his subordinates, and of avowing the wish to destroy the commercial values of the people? The crazy asylums are full of saner people, apparently, than he—unless one other hypothesis is permissible: that he is putting up a tremendous "bluff" for some inscrutable reason of his own. At any rate, if the members of the Arkansas Legislature had a spark of manhood and self respect they would resent his insolence in the proper way. A Little Rock dispatch received as we go to press indicates that the Senate, at least, is devoid of spirit, for it has passed the King Bill by a vote of 25 to 2.

WHAT a boon it would be to fire insurance companies if they could do business without losses. And yet that is not only possible, but there is an actual case in being, according to Dr. John B. Quackenbos, professor emeritus of Columbia University, who is also described as "a noted specialist in psychological therapeutics." This eminent authority informs the New York *World* that the subliminal self of man is capable of such high development that it can foretell events, and he gives this startling instance of it:

> I have a friend who knows a man who for six years has foretold the course of his business ventures with unerring exactness, and that man is now employed by a big fire insurance company to pass upon its risks, while other companies wonder at its success in avoiding losses. I must decline to give names with this, but the facts are as stated.

Naturally, after this announcement there will be a great deal of guessing in the business as to the company that is avoiding losses, for every blessed one of them is reporting the payment of losses, and of course the lucky but cunning one is making a false report. The lesson that this remarkable fact teaches, however, is obvious. Every fire insurance company should keep a prophet on its office staff. That there shall be no mistake about his powers of augury they should first be certified to by Professor Quackenbos. The simplification of business that this arrangement will effectuate, the wear and tear of worry that it will eliminate, the mountains of profit for the stockholders that it will roll up, are beyond mortal estimate; only the prescient stars can tell. All income, no outgo except for salaries of officers and prophets! Just think of it!

THE legislative mills—thirty-seven of them—have begun to grind, and some of the early insurance grist appears in our legislative news department. There is no reason to doubt that the friction engendered by business in individual cases, between sessions, will find expression in the customary bills to restrain and penalize the compa-

nies. And more enlightened views of insurance and the mediums of its distribution may also be expected to prevail in other quarters. The first notes of aggression, so far as fire underwriters are concerned, come simultaneously from Kansas and Missouri on the same subject—the suppression of the rate book. It is made a misdemeanor by bills in both States for any person to offer for sale or give away to any insurance company books of advisory rates on property therein. In Missouri the proposed penalty is a fine of from $500 to $1,000; in Kansas, incarceration in the State penitentiary for not more than five years. In Tennessee there is an odor of "graft" in a bill pushed by the State Press Association requiring insurance companies to advertise their statements of condition in newspapers in each county in which they transact business. The neglectful company is to forfeit $100 for each day that it is neglectful of the needs of the rural journalist, and in addition its business may be held up by the Insurance Commissioner until it bleeds. In Arkansas the King bill to exclude fire insurance companies from the State unless they withdraw from membership in local boards in Schenectady, Moscow, Honolulu and Tokio has been reintroduced and ordered for immediate passage by the Governor. In Texas Capt. T. D. Cobbs, member of the Legislature, announces that he will present a bill to create a State commission to fix rates—"taking it from the insurance companies themselves," says the captain. He also says that his forthcoming bill has "the approval of some fire insurance agents and other thoughtful men." In Oregon a bill has been started to increase the tax on the gross premiums of insurance companies from two to four per cent. All this is but a beginning. Fortunately the beginning is not all bad. The Governor of Indiana recommends a State fire marshal law, and the Governor of Illinois calls for an entire revision of the insurance code of his State for the purpose of harmonizing the various requirements and conforming them to modern conditions.

Facts and Opinions.

Testimony in the suit of the **Mutual Life** insurance company of New York **against the estate of James L. Blair,** former special counsel of the Louisiana Purchase Exposition, to cancel a policy for $200,000 on the ground that Blair concealed the true state of his financial affairs in assuming contract relations with the company, was taken this week in New York before Judge Schofield, appointed master in chancery by the United States Circuit Court at St. Louis. For two weeks past Judge Schofield has been taking testimony at St. Louis. Testimony was given on Wednesday to the effect that Blair gave fictitious mortgages, which were afterward secured in part by the insurance policies in the Mutual Life. The brother of the dead man testified that he had lost through the forgeries of the supposed suicide. President Munn, of the United States Life, testified as to precedents where life insurance companies had been relieved of payments on policy contracts where suicide was proven. Vice Presidents Gillette, Lloyd and Easton, of the Mutual Life, testified as to the risk involved in the Blair insurances. On Thursday Dr. Simms, medical director of the Mutual Life, testified that he examined Blair for insurance January 8, 1902. Dr. Simms said that had he known Blair was suspected of forgery he would not have accepted him as a risk. He said:

A criminal is not a good risk. Life in the penitentiary tends to a high mortuary record. A criminal's existence is one of constant strain. But, so long as a criminal thinks his crime is hidden he does not worry much, and when I examined Blair he was in excellent physical condition. Besides I would have rejected Blair had I known he was insolvent at the time. An insolvent man has no right to be insured for a large amount. Besides an insolvent man, necessarily, worries more than one who has money.

Later, Dr. Simms added that in these days it is rare that a man is not subjected to some mental strain. Vice President Tarbell, of the Equitable Life, testified that the practice of insurance companies is to reject criminals, as it is bad business and bad morals to insure them, and the strain on criminals is too great. Dr. Arthur Pell, a medical director of the Equitable, said there is an extra hazard in insuring criminals. Dr. Pell admitted that a man able to control his feelings might appear to be in perfect health while he was worrying greatly. Adjournment was taken on Thursday, subject to Judge Schofield's call to meet at St. Louis.

To keep tabs on the new year we have, as usual, received a great number and charming **variety of calendars** and various companies. They range from the highly ornamental and artistic "Children of the Equitable" to the marine views of the old Berkshire Life, the historic Continental pictures and the pulchritudinous Prudential girl. Some are less ornamental and more officially useful, on account of size, etc., but among the whole lot there is only one that we would rather not have had. This is an elaborate gilt plated production. We appreciate the spirit in which it was sent, but it destroys a number of long cherished illusions and proves to us again that things change so swiftly in this great city that one cannot keep track, try how he may. This calendar presents a "View of Riverside Drive, Grant's Tomb, Subway Station and Columbia University." There you have it all in a bunch. The tomb rises, apparently afflicted with the "leaning tower" habit, between two drives, where a procession of three ice carts and a hearse (prohibited traffic) monopolize the roadways; the plainly labelled "116th" street Subway station stands unblushingly at 123d street, separated from the Tomb by only a grass plot, whereas it used to be in the middle of Broadway, where the street cars ran on both sides of it. Columbia University domes up in the background somewhere near 125th street, and the careless Subway itself runs down under the Riverside viaduct and is lost in the depths of the Hudson River, at about Manhattan street. We hate to criticise art, because we are about as much of a judge of art as a yellow dog, but the fellow that drew that view either saw it through the bottom of a beer glass or exercised his bird's eye imagination from Philadelphia or some other outlying hamlet. We would advise New Yorkers getting these calendars not to look, or they will think they have "got 'em again," and so soon after New Year's, too! O Art, what crimes are committed in thy name!

The **use of concrete** has become popular **in Baltimore** since the fire, and has formed the principal material in the construction of many of the largest buildings now completed or nearly complete in the burned district, but so far, according to representatives of the different concrete firms, no attempt has been successful to have an outside wall built of the material. The interior structural work and walls adjoining other walls have been built of this material in many cases, but no wall facing a street. The beauty of concrete as a facing for a building was questioned, but the erection of the German street wall for the Maryland Life Building seems to indicate that concrete is destined to be used for all structural purposes in Baltimore. This wall will be 87 feet 6 inches high and 69 feet 6 inches long. The four walls of the building will be of concrete, the German street side being entirely exposed, facing German street, and the South street front

having a facing of marble. The increasing popularity of concrete for the structural work in all classes of buildings is indicated in the probability that the big modern apartment house to be erected at the northwest corner of Lafayette avenue and Charles street may be built of concrete. The "building without wood" to be erected on North Eutaw street for the Hilgenberg estate will be largely, if not entirely, of concrete. The Maryland Casualty Building is being erected almost entirely of the same material, likewise the News Building, the plant for the Maryland Telephone and Telegraph Company, the new hotel erected for James L. Kernan, several warehouses for the Johns Hopkins Hospital, and many other structures of slightly less size. Practically every large concrete concern in the country has its share in the rebuilding of Baltimore.

In making the annual announcement of its **financial condition,** the **Travelers insurance company of Hartford,** now so generally identified in the public mind with the typical "knight in armor," states that the guiding star of the company during the past forty-five years and for the future shines with the fire of strength, progress and a fair and square deal all around. The company is now doing life, accident and liability insurance, and during the year past has given much attention to strengthening and broadening its contracts, so that now the company can afford complete protection, "cap-a-pie," of tested armor plate strength to any person inclined to take refuge from the various attacks of misfortune behind its policy contracts. The company's directing motto, mentioned above, is synonymous with the old chivalric ideal "sans peur and sans reproche"; established in this case by reason of financial strength and business methods. The cash income of the company last year was $12,539,000, an increase of over $1,000,000. The increase in surplus was $606,000, making a total above the $5,000,000 mark. The increase of paid for insurance in force was $12,316,000 and during the year $4,895,000 was paid to policyholders. Accident policy claims to the number of 432,000 were paid and 3,750,000 policies of this nature issued. The resources of the company now total $44,456,997, while its liabilities, including reserves, premiums paid in advance, dividends due, etc., sum up to $38,621,704, leaving a big surplus margin as stated above.

The **Equitable Life** will hold **four great conventions** of agents in 1905. Vice President Tarbell makes the announcement public in his January address to the agency force, in the course of which he says:

Again at the close of a business year we pause a moment to review the splendid results of the twelve months. The preliminary statement published a few days ago has shown you that our outstanding assurance is in round numbers $1,500,000,000; our assets $410,000,000, a gain of almost $30,000,000 over the preceding year; our surplus $78,000,000, or a gain of $5,000,000 in 1904; and our income $78,000,000, or a gain of $4,000,000; while the amount paid in dividends to policyholders was larger than during any previous year, and our new paid business practically the same as that of 1903, which, as you know, was by far the largest in the history of the society. Surely we are to be congratulated upon such a magnificent showing; and for the great part you played in making it we thank you. We thank you heartily, individually and collectively, and trust that the new year may bring you much of happiness and success in all things that touch you personally as well as in your business. So far as the Equitable is concerned, we have made up our minds that this present year shall mark another long step forward in our progress, and our plans for the first quarter, of which you have already been advised, are of vital interest to every representative of the society. Ever since the celebration of the society's fortieth anniversary down to the present time, there have been innumerable and constant requests for a great convention of agents. In response to these appeals, we have now arranged to hold four great conventions during the month of May, one in San Francisco, one in Chicago, one in Washington and one in New York. You have already received your invitation to be present at one of these conventions, contingent only upon certain fair conditions; and I want to say just here that I honest believe that these conditions have been made so reasonable that the smallest producer has as good a chance to qualify as the largest.

The mayor of Chicago has **vetoed the double platoon system** ordinance passed by the council several weeks ago. The ordinance was reconsidered and referred to a committee, where it will be allowed to die. The mayor backed up his veto with statistics from letters received from all the officers of the department, the overwhelming majority being against the proposed change, while he was fortified by a strong letter from the fire department committee of the Chicago Underwriters' Association, also in opposition. The mayor recommended, however, that the finance committee try to provide sufficient funds to employ additional firemen, so that another twelve hours off can be given in each twelve days, giving the firemen twenty-four hours off each week. Comptroller McGann has been forced to cut down the estimates for fire department appropriations because of insufficient funds. The department asked for $2,018,426, while he recommends $1,750,000. Last year the department expended $1,755,377. If the new charter is adopted, which is to be submitted to the Illinois Legislature this winter, Chicago will be able to raise more money and the department will fare the more liberally.

The **American Surety Company,** during the year just past, paid out in claims to policyholders and others the sum of $819,751, and although its business is confined strictly to suretyship on bonds it received a premium income of $1,463,864, an increase in the latter item of $159,254 over last year. The company paid claims on 1,133 defaulting employees during 1904; 218 more than last year. After payment of all claims and expenses incident to the business, the net result, amounting to $424,193, was apportioned as follows: $200,000 in dividends at 8 per cent.; $63,142 to the reserve, and $161,051 to the surplus, which gives the company a total reserve for unearned premiums and contingent claims of $1,190,977, and a clear surplus of one million dollars. The total assets of the company are very near the six million mark, and the statement to be found elsewhere in this issue clearly proves, despite the much talked of increase in crime and embezzlement, due, it is claimed by some, to increased extravagance in all lines of life, that the surety business, if conducted on sound principles and under conservative management, such as has characterized the conduct of the company under President Henry D. Lyman, has a firm foundation that cannot be shaken.

Last week **the Gross & Gross Company,** a corporation newly organized to do a general real estate and insurance agency business, opened up in its offices on the street floor of the Knickerbocker Trust Building, Thirty-fourth street and Fifth avenue, New York. The organizers of the company, Messrs. George L. and Harold J. Gross, have been widely known in Providence, R. I., for many years, where they have a similar business, if not perhaps the largest of its kind in the whole of Rhode Island. They are, and have been for years, general State agents of the Fidelity and Casualty Company for all its lines, and last year gave E. E. Clapp & Co., the "Million Dollar Casualty Agency," a larger accident and health business than any other two companies have in the State. Mr. Edward Griffith, of E. E. Clapp & Co., is one of the directors of the new corporation in New York city. The Gross & Gross Company will not only do a real estate and general insurance business, but they have been appointed branch managers for E. E. Clapp & Co., with a special department for accident, health and burglary business in the uptown section, in charge of T.

H. Mack, who has been identified with the main office of E. E. Clapp & Co.

The former president of the **Wisconsin Accident Association** of Fond du Lac, Mr. C. A. Cole, has filed charges with Zeno M. Host, Insurance Commissioner of the State, to the effect that certain officers and directors of the company voted themselves money belonging to the company without having rendered any service to the company therefor. The following specifications are among those made in the complaint: That C. L. Hastings, Fond du Lac, rendered a bill as president for $950, which was afterward comprised for $100. In fact, no services were performed, and no agreement to pay him for any services was ever made. That on or about June, at a meeting of the board of directors, the directors voted themselves a salary of $100 each for the coming three months; that afterward, seeing that the receipts of the company did not warrant the payment of said $100 to each director, each received $75 for the three months, for claimed services. The charges were filed on December 20, and on the following day the directors held a meeting and put Cole out of office. The directors and officers of the company have made counter charges against Cole, alleging overdraft of salary, payment of personal expenses with company funds, falsifying the expense account, and threatening to exhaust the deposit fund.

Another **Chicago "wildcatter,"** Charles J. Russell, has been **sentenced** to a year in the penitentiary and a fine of $500. He was connected with the "Mercantile Fire," "Security Fire," "Union Fire," "Continental Fire," so called, and others of Chicago, and had a La Salle street office. Concerning the operations of C. W. Jacobs, recently sentenced for the same manner of offenses, the following story is told by the Chicago *News:*

A wife's jealousy, according to Detective Sergeant Wooldridge, prevented Jacobs and Mrs. Chadwick from going to New York and attempting to "clean up" Wall Street with "fake" securities. One of Jacobs' alleged "get rich quick" schemes is said to have involved a plan for going to small jewelers throughout the Northwest and unloading worthless securities on them, securing in return precious stones or cash. According to Wooldridge, Jacobs told him a story of his alleged relations with Mrs. Chadwick, saying that some time ago the woman was in Chicago and broached to him a plan whereby they were to go to New York and, in Mrs. Chadwick's reported phrase, "clean up Wall Street." Jacobs is reported to have said that he thought seriously of the project, but that his wife was jealous of the Chadwick woman and he therefore gave it up. This confession, together with the police knowledge of Jacobs' alleged propensities for manufacturing worthless securities, caused the police to suspect that the "Carnegie note" and the other securities, which certain Eastern men said they "would rather die than tell about," came from Chicago.

A **bright mind** on the Binghamton (N. Y.) *Herald* advocates municipal fire insurance for the citizens of that burg. The bright mind says:

Insurance companies get out of the premiums on insurance more than they pay out in fire losses. Sometimes their losses exceed their premiums, but year in and year out the big fire insurance companies pay handsome dividends on large amounts of capital stock. The companies are simply banded together now and are making outrageous demands. There is nothing they cannot get if they demand it, because they are acting as a unit. The only way to escape their greed will be for each city to adopt some plan like the one suggested. The amount of premiums collected annually by fire insurance companies in this city will exceed $350,000. The annual losses are not one-quarter that sum. If for ten years Binghamtonians were to pay their fire insurance premiums in the shape of a special tax, the money to be invested in good bonds and mortgages, at the end of that time there would be millions with which to meet annual fire losses, and it would be necessary for a fire to destroy half the city before such a fund created in such a manner would be wiped out. It is up to our progressive citizens who have felt the oppression of the fire insurance companies, to do something along the line suggested, if they would escape the great burdens a grasping monopoly is thrusting upon them.

An Associated Press dispatch from New Orleans says that fire insurance companies which have placed **policies on cotton in warehouses** throughout the South are stated to have canceled all policies on cotton in districts where the staple has been burned, even in the smallest quantities. In districts where the farmers have met and discussed the burning of cotton as a means of raising prices, insurance rates, it is said, have been advanced about 50 per cent. It is understood on the local cotton exchange that there is an agreement among the insurance companies, or at least an understanding, to the effect that all of the companies will act similarly in the matter. This action has stopped the burning of cotton in so far as the country merchants and country bankers can have any influence. An Augusta, Ga., dispatch, however, denies that companies in that section have canceled cotton policies, but says that several have refused to write cotton outside of warehouses.

During the past year the **Home insurance company of New York** has added to its already magnificent assets the sum of $1,400,000 and over $800,000 to its net surplus. Considering the generally disastrous year just past, the officers, stockholders and all connected with the company are certainly to be congratulated. The following extracts from the company's detailed statement are significant.

Cash capital	$3,000.000.00
Reserve premium fund	7,210,566.00
Unpaid losses	976,171.49
Unpaid reinsurance and other claims	779,270.81
Reserve for taxes	75,000.00
Net surplus	7.376,321.23
Total	$19,417,329.53
Surplus as regards policyholders	$10,376,321.23

This is the 103d semi-annual announcement of the financial condition of the company.

The New York city building department will in the future require that all **freight and passenger elevators** in public buildings be **fitted with speed regulators** and safety devices, so adjusted that at any time the elevator car assumes a higher speed than intended the safety device will set in such a manner as to bring the car to a stop within a distance technically known as velocity height. This, in elevator manipulation, is about 8 feet. Instructions as to the new rule were sent out by Superintendent Isaac A. Hopper on Thursday. He will grant the owners of elevators now in use a reasonable time to install the new scheme, and thereafter a permit for elevator operation will not be granted unless the safety requirements are complied with. Mr. Hopper says that thirty-five people were killed in this city last year by elevator accidents.

The hearing before Jeremiah Smith, Jr., auditor, on the application of Franklin T. Hammond, receiver of the **Atlas Mutual insurance company of Boston,** asking the court to order an assessment upon the policyholders to provide funds for meeting its liabilities, came to an end Thursday. The decision of the auditor is expected in three or four days. The petition of the receiver alleges that the assets of the company aggregate $44,593, with total possible liabilities of $75,583. If an assessment is made it cannot exceed the amount of one premium; that is, no policyholder can be assessed in a sum greater than the amount of the premium under the policy, or, if he holds more than one policy, greater than the sum of the premiums on all his policies.

Early Thursday morning, scarcely half an hour after an audience had been dismissed, fire breaking out in the **Academy of Music, at Chelsea, Mass.,** destroyed that building and damaged five others, with a probable loss of about $150,000.

Five firemen were injured, one perhaps fatally. This, with the destruction last week of the Clement Opera House at Berlin, N. H., which was attended with loss of life, and the destruction later last week of the City Hall at Springfield, while a fair was in progress, emphasized the fact that, even with the lessons of the Iroquois Theatre fire before us, many of our places of amusement are far from what they should be in point of safety to those who frequent them.

Circular letters are being issued in this city by the "Metropolitan Underwriting Company" soliciting charter members for a new life insurance company here, to be known as the **Columbia Life Assurance Society**. The circular states the subscription assignments for a substantial allotment of the capital stock of the company will be given free of cost upon request, these allotments bearing the certificate of the New York Security and Trust Company, and says further "that until $100,000 toward capital stock has been paid in, it will pay therefor, upon surrender thereof, the cash redemption value indorsed thereon, upon the completion of which the stock of the Columbia Life assurance society will be delivered in lieu thereof."

At the Parker House, Tuesday afternoon, took place the annual meeting of the **Boston Life Underwriters' Association,** and these officers were elected for 1905: President, Louis L. Hopkins; vice presidents, Charles E. Townsend and William H. Dyer; secretary, James F. Chase; treasurer, Francis Marsh. Executive committee—J. Howard Edwards, chairman; John S. Cranston, James G. White, Albert H. Curtis, Harry N. Haven. The executive committee was given power to act upon a motion that the association contribute $200 toward the compensation of an assistant for the president of the national association, and an informal dinner closed the proceedings.

Our esteemed contemporary *Views*, which has in its special charge the promotion of the **national supervision movement,** states that a better bill than Mr. Morrell's is being arranged for introduction in Congress, and adds:

> It can also be taken for granted that, after such a bill has been perfected and simultaneously introduced in the House and Senate, it will receive the strong support of members and also elicit a more pronounced indorsement at the hands of the insurance profession than is likely to be accorded to the Morrell bill. But as even some of the most active champions of this measure also realize the limited time before the adjournment of this short working session, the probabilities are that no decided steps will be instituted until after the convening of the first session of the Fifty-ninth Congress.

The forty-fifth annual **statement of the Home Life** insurance company of New York shows that the assets increased last year $1,503,388, totaling now $16,606,229. The reserve amounts to $15,073,548, of which $1,200,036 is the present value of deferred dividends; $1,601,965 was paid to policyholders last year, and the annual income of the company has increased by more than $287,000 to the total of $3,722,680. Much could be said in praise of the company's conservative management, but in view of the statistics given in the detailed advertisement words would prove superfluous.

The annual meeting of the **Fire Underwriters' Association of the Pacific** was held this week at San Francisco and addresses were made by the following: President J. L. Fuller, of the Norwich Union, delivered the annual address; "Sprinkler Inspections," George M. Robertson, of the Board; "Brain Work in the Business," R. C. Medcraft, Union Assurance; "The Careless Hazard in Our Business," F. C. Staniford, Norwich Union; "Adjustment of Book Losses," F. J. Alex. Mayor, Fire Association; "Sawmill Inspection," A. W. Whitmere, of the Home Fire and Marine insurance company.

The officers for 1904 were re-elected for the current year by the **New England Insurance Exchange,** last Saturday, namely: President, Charles D. Palmer; vice presidents, T. H. Dooley, S. E. Barton, W. H. Hellyar; secretary and treasurer, C. M. Goddard. Executive committee—W. B. Burpee, chairman; F. E. Stone, W. F. Dearborn, H. F. Blood, J. W. De Wolf. Abstracts of the president's address and executive committee's annual report were given in our issue of last week. The annual meeting of the Insurance Library Association takes place this morning.

At the meeting of the **Chicago Underwriters' Association** on Wednesday the following officers were elected: President, E. M. Teall; vice president, L. O. Kohtz; treasurer, H. W. McGill; manager, H. H. Glidden. New members of the executive committee are L. M. Drake, B. F. Rogers and E. R. Wetmore. It was voted to decrease the charge for lack of automatic sprinklers around and under the stages of theatres to 25 cents. The association appropriated $1,000 to the new naval training school to be located at Lake Bluff.

The **Continental Fire of Illinois,** whose secretary, Charles J. Russell, has been sent to jail for wildcatting, was thrown into the hands of a receiver on the application of Frank O. Anderson, who had been its president. He claimed that Russell had illegally gained control and deposed him. Russell's attorneys made a strenuous fight, however, and succeeded in having the receivership dissolved in a few hours, holding that the securities given the company by Anderson in exchange for his stock were worthless. This, however, justifies the contention of the Illinois Insurance Department that the company was not properly backed, they also holding that the special charter was voided for non-user.

Serious complaint is made of the condition of **electrical equipment at Paducah, Ky.,** the Western Union inspector stating that conditions could hardly be worse, both as regards inside and outside wiring. Notices have been sent to forty-seven firms and prominent business houses that a charge has been added to rate on both building and contents, which will stand until improvements have been made and passed upon. In the meantime the companies are threatening to retire from Paducah unless a satisfactory ordinance controlling inside and outside wiring is passed.

In the list of **official changes in fire insurance companies** in 1904 printed in our columns last week it was stated that Charles E. Sheldon was elected vice president of the American of Rockford, Ill. For "Rockford" read "Newark." The American of Newark in 1899 reinsured the Rockford insurance company, of which Mr. Sheldon was secretary, and appointed him its Western department manager. Last year it translated him to the second vice presidency. At the same time Mr. P. L. Hoadley was elected vice president, to succeed Charles A. Lighthipe.

The **epidemic of incendiarism** which has for some time cursed the "Park Slope" district of Brooklyn, and which repeated arrests and investigations have failed to curb, has attracted the attention of underwriters to such an extent that the fire insurance companies this week offered a reward of $1,000 for the arrest and conviction of the guilty one or ones. It is hoped that this will stimulate the police and fire departments to accomplish something in the way of decisive

arrests. Several suspects have been released on account of insufficient evidence.

The **record** for protection in the **life insurance line** is now held by Mr. Rodman Wanamaker, of Philadelphia, who this week took out policies in the Mutual Life insurance company of New York to the amount of $1,200,000, which, in addition to $800,000 which he already carried in that company, brings his total insurance in the Mutual up to the $2,000,000 mark. Mr. James C. Colgate previously held the record with $1,500,000. The Mutual, in accordance with its custom, has reinsured all but $250,000 of this big risk.

A double assessment made by the officers of the **Bluegrass Fire insurance company** of Lexington, Ky., caused much dissatisfaction among the policyholders, and a receiver may be asked for. Insurance Commissiooner Prewitt has been investigating the company's books, and found a deficit of $11,000, caused by the heavy fire losses during the past year. The company is a mutual concern and each person holding a policy is in the nature of a stockholder.

The New York *World* is guilty of this **wondrous yarn** about applicants for large policies of life insurance:

The applicant for large insurance is an object of special surveillance. After a thorough examination as to his heart action, lung capacity and general physical condition the most vigorous part begins. Two men are detailed to investigate his habits. They watch him at his clubs, at the theatre and wherever he may be. They record what he drinks and what he smokes. The hours he keeps are carefully rcorded. In short, a week's biography in the applicant's life is taken minutely, without his knowledge. On this really depends the granting of the policy.

The *Insurance Register,* of Philadelphia, puts the whole situa- in a nutshell regarding **national supervision of insurance** in these lines:

If a contention that insurance is commerce can be sustained so as to induce the Supreme Court to reverse its numerous contrary decisions, let us have legislation which will squarely raise the question and have it decided. If decided adversely the remedy is a constitutional amendment. Anything short of complete predominant control, any makeshift, half way measures, we fear, will mean merely the erection of one more burdensome department, more vanity and vexation of spirit.

Although the **Westchester Fire** paid out a heavy sum in losses on the Baltimore and other conflagrations this year, the company's **statement** just issued reveals most substantial conditions. The company added to its assets nearly $200,000 during the past year, and $120,000 to its net surplus. The total assets now amount to $3,636,471.44, the reserve $1,770,315.59, and the net surplus $1,368,602.31. An excellent list of securities is detailed in the advertisement printed on another page of this issue.

The Magdeburg Fire insurance company settled last week the policy held by the Louisville Lead and Color Company at one of its works in that city which was destroyed by fire some two years ago. The policy was involved in the **famous "noon" cases.** The policy was contested in the United States District Court. The amount involved in this particular suit was $2,000, the face of the policy. The company has paid that sum, together with interest and court costs.

"Yes, I **used to be in the insurance business.** I once got a man to take out a $50,000 policy only about a week before he happened to be killed. He was a mighty hard chap to land, too. I had to talk to him for nearly six months before I got him." "That was tough on the company. I suppose you regretted, after it was all over, that your persuasive powers were so good." "Um—no, I never felt sorry about it. I married the widow."—*Chicago Record-Herald.*

The **plate glass situation** in this city is still far from lucid and as yet there is no prospect of the consummation of the compact. The indications seem to be that any rate regulation agreement must be abandoned, but it is possible that a commission agreement on a 33⅓ per cent. basis may be adopted. So far the agitation has been chiefly useful in merely pointing out the many ways in which an agreement would prove of advantage to the business.

The **Union Assurance,** of which Hall & Henshaw are United States managers, has established a **Southern general agency** department, which will include Louisiana, Mississippi and Texas. Gilbert Hay has been appointed general agent and will establish headquarters at Waco, Tex. Mr. Hay was Southern special agent of the company for seven years past at Atlanta, Ga. The Union will immediately join the Texas Fire Prevention Association.

A cable dispatch of Thursday to the *Journal of Commerce* says that at a meeting in London of the policyholders of the **Hand-in-Hand Fire and Life Insurance Society** it was agreed to accept the offer of the Commercial Union for the absorption of the ancient company, which was established in 1696. There is a bill pending in Parliament for the sanctioning of the taking over of the old mutual institution by the Commercial Union.

The **Maryland insurance commissionership** passed into the charge of Frank I. Duncan on last Saturday, Mr. Wilkinson retiring. The new commissioner appointed Prof. Thomas E. Green chief deputy and treasurer of the office, and his son, John D. C. Duncan, official stenographer. It is understood that all of Mr. Wilkinson's staff will have to walk the plank. The Governor says that Mr. Duncan did not seek the office, it sought him. He aspired to a judgeship.

Regarding Mr. Thomas **Lawson's** boast of his extensive **life insurance** the Boston *News Bureau* says:

As a matter of fact, the Boston News Bureau has investigated all these reports time and again and knows exactly the life insurance and annuities carried by Thomas W. Lawson and his family, and the aggregate does not and never did exceed $200,000. This is a single policy divided as to risk between several small life insurance companies and is a family matter, and there must be death for its realization. Lawson has not and never has had any such reserve insurance annuities as claimed.

It may surprise many people that the office of **Insurance Commissioner of Pennsylvania** is worth $20,000 per annum to the incumbent thereof. This consists of fees in addition to salary. Of course a post so lucrative could be filled only by the "Boss" himself. Governor Pennypacker recommends that the fees of this and several other State offices be turned into the State treasury, and the Secretary of the State indorses the recommendation.

The Chicago *Tribune* has decided to **abandon its department of insurance,** and the exchange of insurance news which it has carried on with the New York *Journal of Commerce* will, after this week, be taken up between that paper and the Chicago *Record-Herald,* whose insurance editor is Mr. Thomas R. Weddell. The retirement of the *Tribune* from the field will result practically in giving the *Record-Herald* a monopoly of the daily insurance news feature in the West.

The **National Life and Accident Association of Nashville,** Tenn., heretofore doing business on the assessment plan, has

deposited $100,000 in securities with the Insurance Department of that State and has been authorized as a legal reserve company. The company does an industrial, health and life business. Its officers are C. A. Craig, president; W. R. Wills, vice president; C. R. Clements, secretary and treasurer.

The **Central Union Life** insurance company of Indianapolis was **incorporated** there on Saturday of last week to operate on the assessment plan under the law of 1897, and will charge old line rates with a reserve of 3½ per cent. The officers of the new company are: A. J. Heliker, president; W. Ralph Warner, first vice president; R. L. McQuat, second vice president; C. D. Renick, secretary and treasurer.

The **sixtieth anniversary of the New York Life** insurance company will be celebrated on and around May 15 proximo, and "sixty" will figure largely in the program. On the natal day sixty trustees, sixty agency representatives, sixty personal writers producing the largest volume of business, and sixty writing the largest number of applications throughout the country will take part in the jubilee.

The State Corporation Commission of Virginia has chartered the **Virginia Home** insurance company of Richmond, with $100,000 capital, to do a fire, lightning, marine and sprinkler leakage insurance business, with officers as follows: George M. Stone, president, Philadelphia, Pa.; James T. Wogan, vice president, Philadelphia, Pa.; James L. Hetherington, secretary, Philadelphia, Pa.

Owing to the existing demoralization in surety bond tariff rates the **City Trust, Safe Deposit and Surety Company** of Philadelphia has decided to curtail somewhat its operations in that line, and accordingly at a meeting of the directors, held Tuesday, it was decided to reinsure its surety business in States outside of Pennsylvania. The transfer will involve some $25,000,000 of surety business.

The **Hamilton Fire** insurance company, of New York, the capital of which it is proposed to increase to $200,000, will soon enter Illinois, and Rollins & Burdick have been appointed sole agents for Chicago. The company announces the retirement of D. D. Whitney as president, to be succeeded by Marvin S. Buttles. James A. Silvey has been elected vice president, and D. D. Leeds continues as secretary.

The field work of the **American Central,** Mercantile Fire and Marine and Albany insurance companies **for Eastern Massachusetts** has been put in charge of George A. Cram, formerly of the Chicago office of the American Central. The Massachusetts territory west of the Connecticut River has been added to the field of H. T. Campbell, special agent for Connecticut.

The **Cumberland County (Me.) Board of Fire Underwriters,** which has jurisdiction over the city of Portland, has elected for the current year Thomas J. Little, president; H. F. Thompson and Albert D. Hall, vice presidents; Philip I. Jones, secretary and treasurer. Executive committee—Herbert M. Pinkham, Charles C. Adams, E. W. Guptill, P. F. Turner, R. C. Libbie.

It is understood that a revised, enlarged and improved edition of **the Dean schedules** will be out soon, Mr. Dean including in it a number of new features and making changes which will render the schedules more adaptable to large city conditions along the lines of underwriting resulting from the recent conflagrations and the desire to secure more adequate rates in the congested districts.

An early decision is expected of the proposition to establish a **salvage bureau in Chicago.** It is believed that the recommendation of the committee in charge will be in favor of establishing a branch of the Underwriters' Salvage Company, but a strong sentiment opposes this and favors the organization of an independent company.

The **Surety Underwriters' Association of Chicago** has elected the following officers: President, Pere L. Wickes, Fidelity and Deposit; vice president, Joseph T. Bowen, City Trust; secretary and treasurer, Edwin M. McKinney, Illinois Surety Company; chairman executive committee, Coley M. Haven, American Bonding Company.

Underwriters are watching with much interest the **tone of Western inaugural messages** on insurance matters, says our Chicago correspondent. Life men are curious to see whether the Lawson agitation will have any influence, while fire managers are fearing adverse legislation on account of conflagration charges and increased rates.

The directors of the **Atlanta-Birmingham Fire** insurance company declared a **dividend** of 6 per cent. on Tuesday of this week, and President Dargan states that the company received over $579,000 in premiums above cancellations and sustained losses of $184,000, a ratio of about 32 per cent., during the past year.

The **receipts of the Maine Insurance Department** for the years ending December 31, 1903 and 1904, respectively, were $16,970 and $18,389. The fees collected during 1904 were the largest in the history of the department and were $1,419 in excess of 1903, which is the largest previous year on record.

At the annual meeting of the **Insurance Survey Bureau** at Chicago on Wednesday P. D. MacGregor, of the Queen, was elected president; W. L. King, of the Providence-Washington, vice president, and C. W. Higley, of the Hanover, secretary and treasurer. Executive committee—W. H. Sage, C. H. Barry, G. H. Lermit and Marshall & McElhone.

The regular **January meeting** and dinner **of the Insurance Society of New York** was held Tuesday evening at the rooms of the club. The chief speaker was Mr. Frederick H. Cowles, who made an interesting address on the subject of fire departments, concerning which he is an authority.

The **United States Casualty** company has applied for admission to California for all lines except personal accident and Nebraska for all lines, and to Texas for personal accident business only. The United States Casualty withdrew from these States about five years ago.

The **Atlantic Mutual insurance company** this week elected Cornelius Eldert, formerly second vice president, to the first vice presidency, succeeding Frederic A. Parsons, resigned. Theodore P. Johnson was elected second vice president.

The American Storage Company of Cincinnati has closed down and is retiring from business, and **insurance is being**

canceled in consequence. Companies are also retiring from the risk of the Marietta Glass Company, at Indianapolis, which has closed down indefinitely.

In his **annual report** the Secretary of State **of Oregon** advocated State regulation of fraternal insurance orders and a new insurance code of laws, because the present laws, enacted at different times and subsequently amended, are "in many particulars inconsistent and hard to understand and interpret."

Reports from San Francisco are to the effect that **Coast business** has been very **good** during the past year. Losses in San Francisco were light and premiums numerous. The mayor of that city, it is reported, will soon sign the amended fireproof roofing ordinance lately passed by the city fathers.

The **Equitable, Fidelity and Guarantee Company** of Bookings, S. Dak., is preparing for business with W. H. Roddle, ex-State Secretary, president; Theodore Meyer, first vice president; C. B. Collins, State Treasurer, second vice president, and H. H. Reeves, treasurer.

Brief information has been received that the Supreme Court of South Dakota has decided against the contention of the Insurance Commissioner that he is legally empowered **to insert** in the standard fire insurance policy **the valued policy law** of the State.

The **Security Fire of Baltimore,** it is reported, will shortly appoint Judge R. S. Yocum, the newly elected president of the Houston Fire and Marine Insurance Company, to be general agent in Texas, Oklahoma and Indian Territory.

As a result of the Melrose, Mass., catastrophe, where a street car was **wrecked by dynamite,** two bills have been introduced in the Massachusetts House, looking to more rigid regulation of the keeping and selling of explosives.

The Superior Court at Hartford, Conn., has decided that **death claims are not entitled to preference** in the winding up of the affairs of the National Life Association of Hartford, of which ex-Insurance Commissioner Betts is receiver.

The *Investigator* has **a brand new dress** and a cover has been added, and it looks as bright as a new pin. Mr. Bloomingston has assumed full charge of the news department and Mr. Weddell is writing the editorial matter.

Conferences are being held by the **surety managers of St. Louis** looking to an agreement as to rates and practices, after the fashion of the Chicago association, which has so materially improved conditions there.

Articles of incorporation have been filed at Denver by the **Colorado National Life** insurance company, which is backed by a number of business men of the State. It is started "to keep Colorado money at home."

The Brooklyn firm of Benedict & Benedict have been appointed **sole agents** there **for the Caledonian** insurance company beginning February 1, replacing the Fire Association of Philadelphia, recently transferred.

According to the report of E. R. McDavid, **Insurance Commissioner of Alabama,** the receipts of the department for the year just ended were $83,353.80, or $12,500 more than the the year preceding.

Among the Texas incorporations last year was the **Bankers and Underwriters Fire and Marine** insurance company of Houston, which has not yet organized for business.

La Polar insurance company of Bilbao, Spain, has appointed Starkweather & Shepley, of Providence, R. I., correspondents for the United States.

The **1904 fire loss in Lowell, Mass.,** exceeded $500,000, protected by insurance payments of $319,980. The fire loss was more than twice that of 1903.

The St. Paul Fire and Marine has been elected to membership in the **Western Factory Insurance Association.**

The **Queen City Fire** insurance company has been incorporated at Sioux City, S. Dak.

Personal.

AGENCY APPOINTMENTS.

Eagle Fire of New York: Klee, Rogers & Corey, Chicago local agents.

Equitable Life: Henry L. Rosenfield, temporary manager at Cleveland, Ohio, in place of M. A. Marks, resigned.

Georgia Home: A. C. Collins & Brother, Chicago, Ill., managers for Cook County.

Phenix of Brooklyn: Joseph M. Lawrence, special agent for South Carolina.

Provident Savings Life: G. Waldon Smith, State manager for Maine.

Star Fire: Anderson & Co., Bridgeport, Conn.

Mr. Frank H. Cooper, of Siegel-Cooper & Co., the department store men, who died recently, carried some $200,000 in life insurance. Of this $100,000 was in a fifteen pay sub-standard policy in the New York Life, taken out four years ago as an endowment for an old people's home erected by Mr. Cooper in his native town in Holland. When he conceived the plan of providing for its endowment by life insurance it was discovered that he was not up to standard physically, so he took a sub-standard policy. A board of five trustees is to collect the money, invest it and pay the proceeds to the home.

Chief G. F. W. Schivers, of the Springfield, Ill., fire department, was fatally injured on Tuesday night at a railroad crossing in that city. He was on his way to a fire in a blinding snowstorm and his wagon was struck by a switch engine. A hook and ladder truck had just crossed the tracks ahead of the wagon. The chief's son and his driver, who were with him, were not hurt. The chief died within an hour after the accident. On the same day Chief Worm, of the Peoria fire department, was fatally injured in a collision with a street car while responding to an alarm.

Judge R. S. Yocum has been elected president of the Houston Fire and Marine insurance company, succeeding the late Col. W. J. Swain. Judge Yocum was for many years with the New York Underwriters' Agency in Texas and is well and favorably known among underwriters. Dr. R. W. Knox was elected vice president and J. E. Morris secretary, the latter succeeding the late C. W. Jones, who was shot dead by the son of the late Colonel Swain a short time ago.

Mr. L. C. Robens, secretary of the Reliance Life of Pittsburgh, being recently promoted to director of agencies of the company, the vacancy has been filled by the election of Mr. Grant Siverd, formerly assistant to Mr. Robens. Mr. Siverd was a solicitor with the Pittsburgh agency of the Equitable in 1896, and in 1900 was district manager of the Mutual Life in Western Pennsylvania. He became assistant secretary of the Reliance in April, 1903.

Mr. H. Clarkson, of Topeka, for many years head of the Clarkson fire insurance rating bureau in Kansas and therefor notable in Western underwriting as the compiler of the "Clarkson Rate Book," died this week at his home at Topeka. Mr. Clarkson was tendered a banquet a few months ago by the Western field men and managers in recognition of his long service in insurance in that field.

Mr. George A. Parker, for eleven years manager of the real estate department of the Pabst Brewing Company and formerly general agent of Equitable Life for Wisconsin and Michigan, and later agent of the New York Life, died at his home in Milwaukee of stomach trouble on December 20. He was forty-seven years old, a high Mason and a member of the Calumet Club.

Mr. Hiram Calkins, who was for many years the Albany legislative correspondent of this paper, and well known in daily journalism and in after years a prominent public official of New York as well as president of the Hahnemann Hospital, died on Sunday evening from Bright's disease, complicated with heart failure, aged seventy-four years.

Assistant Editor E. A. Quarles, of the *Insurance Field* of Louisville, has again resigned that position to become, on the first of next month, the

(Continued on Page 34.)

FIDELITY AS AFFECTED BY LOW OR HIGH WAGES.

By John R. Bland, President of the United States Fidelity and Guaranty Company, Baltimore, Md.

It was an English writer who, in a moment of satire, wrote "Honesty is the best policy." It is presumed that he meant thereby that to be honest was the best means of securing the end in view, and that as a policy it was the mainspring and moving force of many worldly wise people.

We think there is a higher view to be taken of the subject than is conveyed to us in this old aphorism, and we venture to assert that honesty should not be a policy, but a principle, and that those men who make it a principle or motive for action are only those who can be thoroughly trusted when the actual seductive voice of temptation is whispered in their ear.

Fidelity, which is only another name for honesty, in this connection, is something that should be taught early in life and carefully inculcated in the minds of children and instilled into them as the germ or seed thought of their whole life's action. Fidelity means truthfulness, exactness, devotion to principle, and loyalty to parents, employers or associates; in other words, in the smallest transactions of life fidelity is required, and the child who is permitted to pilfer in little things, evade the payment of street car fare, and in the thousand and one petty affairs of life do what may be called "smart" or sharp little things, will, later on, forget the line between *meum et tuum* and think that possession means power and that shrewdness is more appreciated than honesty.

As to the question of whether fidelity is affected by small or large remuneration for services, we consider that this is a matter which is not capable of discussion along the exact lines laid down by the theme suggested. In this connection everything is relative; a Chinaman manages to exist on less than half of what an American ditch digger subsists upon. People dwelling in the backwoods live comfortably upon one-half what it costs to dwell in the large cities. The scale of living means everything, and no such thing as a universal wage system has ever been devised which will fit all climates, countries and environments. The bookkeeper who is paid $1,000 in a small village lives in even better style than one who is paid double that sum in a centre of population like New York or Chicago. The steadily increasing luxury and extravagance demanded by modern society and intercourse make such drafts upon the income of men on salaries everywhere as to cause them to strain and bend under the burdens of the exacting requirements. The Declaration of Independence speaks of the inalienable rights of Americans, as "life, liberty and the pursuit of happiness." It will be noticed that it speaks of the *pursuit*, not of the *attainment* of happiness. The question, then, as to high or low wages figures only relatively in the situation, and the man who is today paid $2,000 per annum, and seems to live upon it comfortably, will be found tomorrow spending $4,000, and in both cases living up to the utmost penny of his income.

In this connection it is also well to note that skilled labor in America is in receipt of higher wages than anywhere else on earth, and professional or semi-professional pursuits, requiring education, training and mental work of a higher degree, are surely better paid here than in England or on the Continent.

While it is most desirable that every man should receive the highest attainable wages, we are convinced that little benefit will accrue from the receipt of such wages until we, as a people, learn to follow habits of economy and frugality. It has been truthfully said that the average German family can live on what the average American family consigns to the waste basket.

It is true that the payment of adequate wages should strengthen the fidelity of the average man, but this does not always follow. So long as our people indulge in the unnecessary luxuries of life, so long as they are afflicted with the disease of extravagance, just so long will the standard of integrity be low in this country.

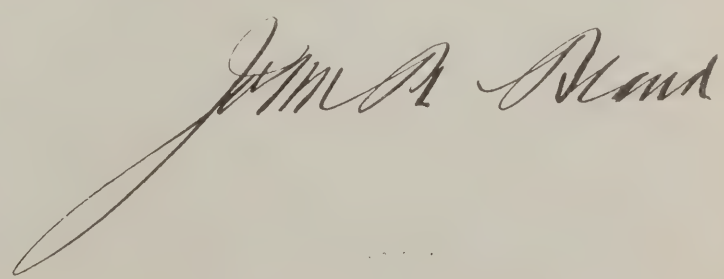
We may not have made ourselves clear, but what we are endeavoring to state is that, while fidelity and honesty as a principle may be inborn, it must be cultivated by reading, training and teaching, and by applying and practicing habits of economy. These things, in the highest and keenest sense control honesty; not the question of income.

As a proof of this, our company has had defalcations occur among those whom it has bonded, in the highest priced men, and the cashier who received $10,000 per annum has been found to be subject to temptation as well as the clerk who received $500 annual salary. This want of fidelity or faithfulness has manifested itself in all walks of life and in all professions, and temptation seems to address itself to the inherent weakness of humanity everywhere. The causes are as manifold and diverse as the stars. In the one case speculation, in the next card playing; on the one hand wine, and on the other women; love of high living and greed vie with each other in dragging down the unfortunates who yield to temptation.

It is almost impossible for surety companies, from past experiences, to accurately establish a general loss ratio on fidelity bonds, for the reason that a risk in the first year might be of the very best class and the most desirable; while in the seventh or tenth year the same risk might become the very worst on the company's books.

We have found that the loss of a wife, family widely scattered, restraints removed, new formed associates, changed environments and newly acquired intemperate habits contribute to affect risks. These cases are frequent enough to render uncertain and unreliable any average loss ratio that might be figured out.

If we were to go back to humanity in the making, we would have to reconstruct the mental processes and reform the moral lines upon which our lives are formed, and as we are not permitted to take the place of Omnipotence in this matter, we must accept the situation and make the best use of the material at hand. We therefore devote ourselves to the business or profession of suretyship or fidelity bonding, which we have adopted, and out of the average of humanity, hope—and in fact the results prove that the hope is well grounded—that the largest proportion of mankind is honest and faithful, and will be true until death to the trust imposed upon them. Otherwise surety companies could not exist.



(*Continued from Page 32.*)

secretary of the Employers' Association of Louisville. Mr. Quarles made the same change in June, 1903, but was induced to return to the *Insurance Field* a few months ago.

Mr. Minor Boyd, a graduate of the Equitable Life College Class of 1903, and cashier of the State Mutual Life insurance company at Atlanta, Ga., died there of pneumonia, following an operation for appendicitis on January 5. He was twenty-two years old and an alumnus of the University of Georgia.

Mr. Oscar G. Berry, who has been appointed manager for Eastern Pennsylvania, Southern New Jersey and Delaware for the Phœnix Mutual Life, with headquarters at Philadelphia, is a Boston insurance man, where he has been identified with the Mutual Benefit Life and local fire brokerage business.

Professor James Weir Mason, of the College of the City of New York, who was actuary for the Massachusetts Mutual Life and afterwards for the Penn Mutual Life, resigning the last position in 1879, died suddenly at Easton, Pa., on Tuesday. He was a member of the Actuarial Society of America.

Mr. Clarence K. Underhill, former New England general agent of the United States Fire, has been appointed special agent of the London Assurance Corporation at Philadelphia, covering the territory of Pennsylvania, New Jersey, Delaware, Maryland and the District of Columbia.

Mr. Washington Irving is in the city for a few days making a final disposition of his personal affairs here, before taking up a permanent residence on the Pacific Coast as general agent there of the Phoenix Assurance.

Mr. L. C. Hebbard, formerly general agent of the International Fire Insurance Corporation of Virginia, has been appointed special agent of the Star Fire of Louisville, covering territory south of New Haven and east of the Hudson River.

Mr. S. A. Adams has been appointed by Messrs. Cravens & Kelly, of Houston, Tex., special agent of their companies in Louisiana. He succeeds Mr. F. W. Buckner, who has been called to the head office as executive special agent.

Mr. George A. Cram, son of George T. Cram, of the American Central Fire, formerly Cook County special agent of the company, has been appointed special agent in Massachusetts, representing also the Mercantile and the Albany.

Mr. Frank Tully, former superintendent of agents of the Security Trust and Life insurance company, has been appointed to the same post with the Bankers' Life insurance company of this city, succeeding Mr. Robert F. Moore.

Mr. Arthur W. Burke, Boston general agent of the liability department of the Ætna, and Mr. Thomas S. Prouty, a Boston fire insurance broker, have created a firm under the style of Arthur W. Burke & Company.

President Tatlock, of the Washington Life, was secretary and Actuary Pierson of the same company was president of the recent Fourth International Congress of Actuaries, the actuarial *Chronicle* reminds us.

Mr. Frank H. Tower, for twenty-one years State agent of the Milwaukee Mechanics in Missouri, Kansas and Colorado, has resigned on account of ill health and will make his future home at Los Angeles, Cal.

Mr. Eugene Wakeman, a veteran insurance adjuster of the West, and formerly prominent in the Fire Underwriters' Association of the Northwest, died at the Dunning Hospital, Chicago, last week.

Mr. H. C. Dana, who has been associated with John E. Hendry & Co. in the management of the Royal Exchange at Chicago, has made a connection with Hall & Henshaw and leaves the former firm.

Mr. Fred W. Williams, former Western general agent of the Aachen and Munich, has been appointed Michigan State agent of the Agricultural of Watertown and will make Detroit his headquarters.

Mr. Charles A. Keith, special agent of the National of Hartford in Southern Wisconsin, has been put in charge of the company's business throughout the entire State.

Mr. F. J. P. Hanson, formerly with the New York Underwriter's Agency in Iowa, has been appointed special agent in the same State for the St. Paul Fire and Marine insurance company.

Mr. Martin A. Marks, general manager of the Equitable Life Assurance Society at Cleveland, Ohio, has resigned to devote his attention to private business affairs.

Mr. R. M. Critchfield, a retired insurance agent of Dayton, Ohio, and a veteran of the Civil War, died in Dayton on December 29 of old age, at sixty-nine years.

Chief John Sandrock, of Sheboygan, Wis., the oldest fire department leader in the United States, died on January 10, aged seventy-four years.

Mr. Elmer Dwiggins, for the past year acting manager of the Equitable Life at Des Moines, Ia., has assumed the full managerial duties there.

Mr. Frank A. Colley is now occupying his new offices in the Wallace Building, 58 Pine street. He was formerly at 90 William street.

Mr. J. M. Waller, special agent of the Citizens' Fire, has resigned to become Virginia special agent of the Fireman's Fund.

Mr. Edward Peterson, of St. Paul, Minn., has been appointed Deputy Insurance Commissioner under Commissioner O'Brien.

Mr. Thomas N. McCarter has been added to the directorate of the Prudential insurance company.

Manager Carl Schreiner, of the Munich Reinsurance Company, arrived Wednesday on the Kronprinz Wilhelm.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

In his message to the Legislature Governor Davis denounced the fire insurance companies and urged the enactment of the King bill to drive them from the State in the following terms:

Gentlemen, the King anti-trust bill must be passed by this body. You know what it is, the Democracy of the State, whose servants you are, understand it and have indorsed it, and, whether its results are good or bad, you come here pledged and committed to pass it, and cannot escape this obligation by any legerdemain or game of hide and seek that may be insisted upon by the most skillful obstructionists in this body.

I cannot understand how an honest Senator or member of the lower house can face his constituents after having used any kind of effort to defeat this bill.

It is true that my opponent in the last campaign, who is at present a member of the Supreme Court of this State, declared upon every stump in the State that the King anti-trust bill as written would not be upheld and given a construction contended for by your Chief Executive, if submitted to the court of which he is a member.

Whether he was authorized to say this by the other members of the court, or whether this statement voiced their views on the subject, I am not prepared to say; but, however this may be, the the suggestion which he made on the stump by which the bill may be made effective is simple, and without injuring the bill in the least or changing its verbiage to any marked extent, could be complied with. But I am not disposed to believe that the court has prejudged this matter or that any material change in the structure of the bill is necessary.

Our object in this bill is to as completely as possible shut trusts out of the State; every character of trust, the insurance trust, the beef trust, the sugar trust, tobacco trust, and every other kind of trust that can be reached by State legislation is intended to be reached by this act.

Now if, in the judgment of the Legislature, the wording of this act is not specific, it may be changed and yet carry out the will of the Democratic party; but I say to you that, in my judgment, you should pass the King bill just as it is and force the courts to decide upon it one way or the other, because we have a Democratic court, elected by a Democratic party, and however technical they may sometimes be, they know full well the penalty of attempting to get beyond their powers. I take it, from what has been done and said in this State, that no lengthy argument is necessary to convince you of the blighting effects of the trust evil in our Commonwealth. * *

Gentlemen, the people of this government are being robbed by soulless corporations, and if their withering, blighting curse is not stayed God himself can only foresee the consequence.

During the last two sessions of the Legislature this bill has been knifed by men who thought they were smart, thought they were playing smart tricks, and I am glad to say to you that some of their faces are missing in this honorable body.

Look about this General Assembly; think of the men who knifed this measure! Ah, gentlemen, there are strange faces here today, and I want to say to you now that if you expect Arkansas to be true to you, you must be true to her. If you expect Arkansas to shower her blessings upon you, you must give her honest and faithful service.

I have seen, with wonder and astonishment, the methods used to defeat this bill in the past. I sat in the Senate chamber and watched the proceedings closely at the last session of the Legislature, and I trust they will not be repeated again.

How can any Democrat elected upon a Democratic platform, representing a Democratic constituency, decline to carry out a Democratic measure adopted by the Democratic convention? This is not the last office that the members of this Legislature expect to fill, and I charge you here and now to be careful how you vote on the King anti-trust bill. * *

A great deal of complaint has come to my office, growing out of the fact that a few adventurers, without means and with very little standing, have gone into what is called "wildcat fire insur-

ance" in this State. They insure any character and kind of property, promise all sorts of protection in case of fire, two or three loafers on the street draw large salaries out of the premiums paid by honest though ignorant and unsuspecting victims of their graft; a fire comes, the company "busts," and there is nothing to pay with, and that class of citizens who are not able to be thus swindled, are ruined.

Necessarily the business they do they do with the poorer element of our citizenship, who own small homes and small farms. These people are not able to have any such frauds practiced upon them as is being done in Arkansas today, and I charge you especially to make the fire insurance laws so rigid in the State that these little wildcat mutual companies that have been doing an illegitimate business in this State may be stamped out.

I am no believer in fire insurance at the best. I believe that every old line company that is in Arkansas today is in a trust and would be stamped out of existence if the King anti-trust bill were to pass, which I sincerely trust it will, unless they should quit their trust relations; but as equally bad results happen to the very best class of our citizens—the poorer people—by the frauds practiced by some of the mutual wildcat companies, I call your special attention to them, so that you may give this matter your careful consideration in the enactment of some law that will give reasonable protection to the policyholders by compelling all mutual companies to keep constantly on hand a reserve fund for the benefit of policyholders, equal to at least 50 per cent. of their gross income, not net income, for they never have any. Also compel them to file with the auditor an indemnifying bond, payable to the State for the use and benefit of their policyholders, and also make them file with the auditor quarterly full and complete statements showing in detail their financial condition.

LITTLE ROCK, Ark., January 13.—The Senate passed the King bill today by a vote of 25 to 2.

California.

SACRAMENTO, January 3.—The following on the subject of insurance appears in the message of Governor George C. Pardee, laid before the Legislature today:

One of the business practices of the State which is of questionable expediency is the refusal to insure property (with some exceptions) against loss by fire. Because in former years abuses were discovered in connection with the placing of policies, the Legislature passed an act prohibiting insurance, and it has remained the law for fourteen years. Moreover, the biennial appropriation bill usually contains a prohibition against the expenditure of any money to buy insurance.

Since the enactment of the law of 1891 the State has been fortunate in escaping any very heavy losses by fire, but buildings have burned and there have been a number of narrow escapes from the destruction of some of the most expensive structures. During the past year one of the buildings of the Preston School of Industry was burned, causing considerable inconvenience, and if one of the larger and more costly State buildings, say one of the hospitals for the insane, should suddenly be swept away, the lack in insurance would make rebuilding a serious problem.

Whether it be wise to continue the prohibition of insurance is a question the Legislature might profitably consider, but should the prohibition be removed it would be well to require the assent of the State board of examiners to each insurance policy accepted.

It may be that the conditions are such as to justify the State in carrying its own risks, but at least there should be some provision made to meet sudden calls for funds to make good losses sustained through fire. To that end I recommend the establishment of an insurance fund to be made up of a moderate sum set apart from the proceeds of taxation each year. The State board of examiners might be authorized to invest this fund in the same class of securities in which the permanent school fund is invested, and also to sell these securities and apply the money to rebuilding when fires occur during a recess of the Legislature.

Colorado.

DENVER, Col., January 10.—The General Assembly met on January 3, but, owing to other important matters to be decided upon by that body no bills relating to insurance have been introduced. Neither Governor Peabody, the retiring Governor, nor Governor Adams, the incoming Governor, made any recommendations in regard to insurance matters in his speech.

The repeal of certain laws on the statute books prohibiting fire insurance companies licensed to do business in Colorado from reinsuring their risks with other companies not licensed to do business in the State, and the enactment of a measure providing for the establishment of a reserve fund for companies doing business on the assessment note plan, form the subject of two bills which will, in all probability, be introduced in the Assembly before the session ends. This legislation was recommended by Deputy Superintendent of Insurance Frank S. Tesch in his annual report.

Some of the insurance companies doing business in Colorado have already indicated a desire to follow Mr. Tesch's suggestion to the Legislature, and in their reports filed for the year 1904 the amounts of their reserve funds are mentioned.

The Senate Committee on Banking and Insurance is as follows: Senators De Long, McCarthy, Lewis, Morgan, Anfenger, Drake and Bailey.

Idaho.

Governor Frank, in his message to the Legislature, recommended that the insurance commissioner should also take on the duties of a bank examiner. He said:

The Insurance Department returns a large revenue to the State, and I am satisfied that with an appropriation sufficient to provide the necessary clerical force, all the work of these departments could be performed by one officer. In case of an increase of duties, as suggested, an increase of salary to the commissioner would doubtless be advisable.

Illinois.

The Governor's message contained the following allusions to insurance matters:

The important relation which the business of insurance sustains to both the commercial and domestic interests of the people of this State is apparent from the magnitude of the financial transactions involved. In the year 1903 the people of this State paid in premiums $59,212,278.05 for the protection of their families, their property and their diversified business interests to the insurance companies doing business in this State. The Department of Insurance collected as taxes and fees from all companies during such year the sum of $349,389.15. During the past four years 129 new companies have been organized under our laws, or admitted from other States. At the present time there are 677 companies and associations of all kinds engaged in the transaction of insurance business in this State. The affairs of this important department have been administered ably and with fidelity to the interests of the people. Much has recently been accomplished toward suppressing violations of the law, which for a long time have been carried on despite the continued efforts of the department to reach and punish the offenders.

The original laws regulating and governing the business of insurance were passed in 1869. They have been amended from time to time and new laws have been passed to meet changed conditions and new requirements. The present conditions and the experience of the past few years show the desirability of further amendments in some particulars—as provisions regulating the wholesale reinsurance of companies and associations, for the protection of the interests and rights of the insured—and provisions requiring such deposits in some State of the United States, by foreign life insurance companies and life insurance companies of other States, as our own companies are required to make before engaging in business.

It seems desirable also that the law passed by the last Legislature authorizing insurance to be placed in unauthorized fire companies, which cannot be placed in authorized companies, should receive further consideration, with a view of better protection to the insured and the authorized companies, and that the provisions regulating the investments of companies, which have remained practically as originally enacted, should be considered in the light of present conditions, giving to companies such latitude of investments, and such only as are consistent with safety to the insured.

I further respectfully submit the desirability of such action as

may be required for a revision of the entire insurance laws, with a view to harmonizing their various provisions and conforming their requirements to the present conditions and necessities.

Indiana.

In his message Governor William T. Durbin said:

I renew my recommendation of two years ago, that there be enacted a fire marshal law, similar to that in operation in the State of Massachusetts. The unusual fire loss in Indiana in recent years is reflected in higher rates for insurance, which constitute a heavy tax upon the entire insuring public. In States where fire marshal laws have been enacted, better conditions prevail, and when these laws are general fire losses can but be less and premiums thereby lowered. A fire marshal statute, properly enforced, will decrease the loss ratio in fire insurance. To require by law that property shall be kept in an insurable condition, to officially investigate and control building construction, to pursue and punish incendiarism, to investigate causes and carelessness, are the general remedies sought to be applied in the fire marshal legislation of recent years.

Much has been accomplished toward the extinction of "wildcat" insurance in this State, but much remains to be accomplished before there is back of every insurance policy the guarantee of payment which is the right of every man who pays a premium. Our statute covering the class of securities foreign insurance companies are permitted to hold should be broadened so that municipal and county bonds of other States may be included. This would increase the facilities for insurance without lessening the security of the insured.

INDIANAPOLIS, Ind., January 11.—Representative Dausman today introduced House Bill No. 4, to authorize insurance companies to invest in State, county and municipal bonds of other States as well as Indiana. It amends amended law approved March 6, 1899, in regard to foreign insurance companies.

Representative Guiel today introduced House Bill No. 2, to admit mutual fire insurance companies of other States to do business in Indiana, where they have premium notes or contingent liability and cash assets equal to those required in Indiana, provided certificate is furnished to Auditor of State from other State showing company is authorized in other State and that Indiana companies are recognized in the State of applicant. Guiel calls it reciprocal law.

Senator Hendee today introduced Senate Bill No. 50, to amend law of 1899 governing stock or mutual life insurance companies, to give more latitude in investment of funds. It adds bonds or other evidences of indebtedness bearing interest of counties, cities, towns, townships or school districts in Indiana or "other State" where company is doing business. Also adds stocks, bonds, or mortgages of par value if current value is 25 per cent. more than amount loaned; also loans on company's own policies provided amount does not exceed reserve, emergency clause.

Kansas.

TOPEKA, Kan., January 10.—Governor Hoch, in his message to the Legislature, says that fire insurance rates are too high, and that there should be a State fire marshal law, if it would result in reduced rates. Otherwise it would be of little value. He says that the anti-compact law of the State is annulled through the operation of the Clarkson Rating Bureau of Topeka, and recommends legislation which will make for open competion in the insurance business.

TOPEKA, Kan., January 11.—House Bill No. 22, by Mr. Allaman, requires fire insurance agents to attach to every policy issued an affidavit that the companies are not in any combination or agreement to maintain rates in this State. Any agent making false affidavit shall be sent to the penitentiary for not more than five years.

It is made the duty of the State Insurance Commissioner to revoke the license of any companies entering into agreement to maintain rates. This measure is directed against the Eldridge rating bureau of Topeka.

Maine.

The committee of the Maine Legislature on mercantile affairs and insurance is as follows: Senators—Stetson, of Penobscot; Shaw, of Sagadahoc, and Plummer, of Androscoggin. Representatives—Briggs, of Auburn; Reed, of Portland; Hussey, of Vassalboro; Weatherbee, of Lincoln; Morey, of Lewiston; Page, of Appleton, and Milliken, of Island Falls.

Massachusetts.

BOSTON, January 7.—The legislative committees have been announced. The committee on insurance consists of Senators Heath, of Worcester; Craig, of Essex, and Peters, of Suffolk; and Representatives Walker, of Waltham; Power, of Boston; Smith, of Templeton; Adams, of Lowell; O'Brien, of Worcester; Bearse, of Springfield; Salter, of Lynn, and Clark, of Cambridge. Three of the above are Democrats and the others belong to the prevailing political party.

Senator Heath is serving his third term in the Senate, after two terms in the House. He is a dealer in painters' supplies and was Senate chairman of the insurance committee last year.

Senator Craig was a Senate member of the insurance committee last year, has served two terms in the Senate and two in the House, is a chemist and a graduate of the Massachusetts College of Pharmacy.

Senator Peters graduated from Harvard in 1895, from the Harvard law school in 1898, has been in the House one year and was in the Senate last year, serving on three committees, but not on insurance.

Mr. Walker, of Waltham, is in the insurance and real estate business and active in the State militia, is secretary of a board of fire underwriters, is now in his third year in the House, and has served before on the insurance committee.

Mr. Power, of Boston, is active in the militia, has served two years before this in the House and has been on the committee on insurance.

Mr. Smith, of Templeton, is a chair manufacturer, and was on the committee on insurance last year—his first year in the House.

Mr. Adams, of Lowell, is a dealer in insurance securities, as he returns his occupation, and last year, which was his first year in the House, he was a member of the committee on insurance. He was last year the youngest member of the House, having been born in 1878.

Mr. O'Brien, of Worcester, was educated at a business college and is a lawyer. He was in the House last year for the first time and was on the insurance committee.

Mr. Bearse, of Springfield, is serving his fifth consecutive term in the House, is a heating and ventilating engineer, and is on the insurance committee for the first time.

Mr. Salter, of Lynn, is in the insurance business, and is serving his fourth term in the House. This is the first time that he has been on the committee on insurance.

Mr. Clark, of Cambridge, graduated from Harvard in 1894, is a lawyer, has been president of the Cambridge common council, and was a representative last year. This is his first service on the insurance committee.

BOSTON, Mass., January 12.—Commissioner Cutting says that he has no recommendations to make to the Legislature this year of changes in the insurance laws. Mr. O'Brien, of Worcester, has been elected clerk of the insurance committee.

Missouri.

JEFFERSON CITY, Mo., January 10.—In the House of Representatives today Representative Hayes introduced Bill No. 50, making it a misdemeanor for any person to offer for sale or to give away to any insurance company any rate book for fire, lightning and tornado insurance, and prohibiting any insurance company or its agents from using any such rate book. The penalty is a fine of from $500 to $1,000 for each offense.

Minnesota.

Mr. Hogue has introduced in the House a bill to facilitate the suppression of wildcat insurance companies.

Montana.

In his message Governor Toole recommended the placing of fraternal insurance under State supervision and requiring fraternal orders to pay the expense of their supervision. He said: "This much is due to the fraternal policyholder as well as to competing companies acting under State supervision."

The Governor also recommends that at least $75,000 insurance on the State Capitol be carried. It is now uninsured.

Nebraska.

Governor Mickey's message contained the following reference to insurance:

It is provided in Section 6, Article 1, Chapter 83, compiled statutes of 1903, "That the Governor be and is hereby authorized and empowered to insure the public buildings and other property belonging to the State, liable to destruction or injury by fire, with some good responsible insurance company or companies, for the benefit of and in the name of the State." The State has been carrying its own insurance since 1889, the last appropriation for the payment of premiums ($25,000) having been made in 1887. It is estimated that the cost of carrying reasonable insurance on present State property will amount to $30,000 per biennium. The Chief Executive cannot carry out the provisions of the section quoted unless an appropriation is made for the payment of premiums. In the absence of such appropriation I shall assume that the State desires to continue the policy of carrying its own fire risks.

The following is the Senate committee on insurance: H. W. L. Jackson, J. H. Mockett, M. L. Fries, L. C. Gibson, George W. Shreck.

New Hampshire.

The House Committee on Insurance is as follows: Messrs. Donahue, of Manchester; Shute, of Derry; Willis, of Concord; St. Clair, of Plymouth; Philbrick, of Rochester; Bickford, of Berlin; McGloughlin, of Laconia; Blaisdell, of Goffstown; Hayes, of Manchester; Nims, of Westmoreland; Duffy, of Franklin; Leddy, of Epping; Drake of Effingham.

New Jersey.

TRENTON, N. J., January 10.—The Senate Committee on Banks and Insurance is composed of Senators Hutchinson, Bradley and Lee. The members of the House committee are Representatives Birkholz, Buck, Barber, Wright and Ernst.

New York.

ALBANY, N. Y., January 12.—Assemblyman Newton, of Cortland, today introduced a bill authorizing villages and cities to insure normal schools.

ALBANY, N. Y., January 13.—Apart from the announcement of the standing committees on insurance of the Senate and the Assembly, nothing of interest developed during the week's legislative session relating to insurance. The committees are as follows:

Senate—Messrs. Ambler, Malby, McEwan, Fancher, Coggeshall, Page, Drescher, Fawley and Riordan.

Assembly—Messrs. Lewis, Oswego; Apgar, Westchester; Sheldon, Cattaraugus; Hanford, Tioga; Thonet, Kings; Gray, Dutchess; Hastings, Orange; Freidel, New York; Shuttleworth, Erie; Wilsnack, Queens; Ellis, New York; Mathews, Kings, and Salomon, New York.

A majority of the members of both insurance committees are new to their work. The selection of Senator Ambler, of Columbia, as head of the Senate committee created some surprise. He has had considerable experience on the committee, and is quite familiar with the general subject of insurance. Assemblyman Lewis, of Oswego, the chairman of the Assembly committee, filled that position acceptably a year ago.

Tennessee.

The Senate insurance committee is as follows: Messrs. Raine, chairman; Schubert, Pope, Gill, Howse, Ligon, Tollett, Jetton, McLaurine, May, McKenzie, Garrett, Bell, Massey and Cate.

The House committee on insurance and building and loan is made up as follows: Messrs. Sneed, chairman; Williams, Scott, Love, King, Cummings, Hickman, Boyle, Cleage, Allen, Fahey, Murray, Bohannon, Cox, Patterson, Raines, Cothran, Brooks, Stratton, Davis, Montgomery.

NASHVILLE, Tenn., January 12.—A bill was introduced today in both houses of the Legislature authorizing the incorporation of industrial fire insurance companies with capital stock of not less than $10,000, to do business on the weekly and monthly premium payment plan, and restricting risks to from $25 to $300.

NASHVILLE, Tenn., January 6.—A bill was introduced in both houses of the Tennessee Legislature today requiring all insurance companies to advertise their annual financial statements in every county in the State in which they do business. The bill was prepared and is advocated by the Tennessee Press Association.

Texas.

Captain T. D. Cobbs, a Representative in the Texas Legislature from Houston, announces that he will introduce at the present session a bill to regulate fire insurance companies. Captain Cobbs "intelligently" says to a reporter of the Houston *Post:*

I believe in placing them under a commission with power to fix rates; to regulate the lighting of buildings and things of that kind, taking it from the insurance companies themselves. The insurance companies have their own boards, which are supported by them, such as the board they have in Chicago called an engineering bureau (sic) and in this State a board located at Dallas known as the Fire Protection Association. All of these services should be rendered by officers charged and sworn to do their duty and not be tempted by other influences. In an interview in last Sunday's *Express* I touched upon this question, and have found that it met the approval of some fire insurance agents and other thoughtful men. It is a matter that affects all business men. In many instances persons securing loans are required to insure property as additional security, thereby rendering insurance of commercial value. It is impossible, almost, in the commercial world to do without it. It touches more people and draws money more directly from them than the railroads, and the necessity for protection by a commission is as important as the regulation of railroads, express companies and compresses.

Miscellany.

Answer of the Newark Fire Insurance Exchange in Suit Brought by the Attorney General of New Jersey —A Strong Statement.

The answer of the insurance companies, members of the Newark Fire Insurance Exchange, to the bill of information filed by the Attorney General of New Jersey, was filed with the Clerk of Chancery at Newark on Saturday last by Lindabury, Depue & Faulks, solicitors for the defendants. The following is a summary of the answer:

It is admitted that the insurance companies referred to in the information filed by the Attorney General entered into a written agreement for the establishment of the Newark Fire Insurance Exchange, but denial is made that the agreement is *ultra vires* or is illegal or void, or that it was formed for the purpose of putting an end to all or any competition in insuring property within the locality referred to.

The defendants deny that said Exchange was organized or is now conducted for the purpose of creating a monopoly of the business of insuring property against loss, or artificially or arbitrarily increasing the profits to be derived from said business in the said territory.

COMPETITION NOT CURTAILED.

They say that each of said companies competes with every other as freely and as strenuously as it ever did, or as it would be possible for it to do if there were no Exchange, unless it were to enter upon the ruinous practice of rate cutting. That every right, prerogative or privilege of any of said companies arising under the laws of the State of New Jersey, or the laws of any other State or kingdom, is retained by such company and exercised by it solely for its own advantage and the advantage of its assured and its stockholders. That each company observes the rates agreed upon by the Exchange as a committee of the whole because it finds them to be better worked out, to be more scientifically adjusted, and to be fairer to both insurer and insured than any rates which could be formulated from its own individual experience, and since, too, in this way only can an individual company obtain the benefit of the collective experience of all the companies in the classification of risks, which is the most important feature of the fire insurance business. Moreover, the experience of insurance companies the world over has proven that uniform rates of insurance in each particular locality, adjusted according to the fair cost of insurance therein, leads to safe and better results to both insurer and insured than differing and fluctuating rates based upon the differing and changing views of individual insurers.

That schedule rating, such as is practiced by the Newark Fire Insurance Exchange and by similar exchanges throughout the country, can only be employed by the co-operation of the insurance companies doing business in a particular locality, and can only succeed by the observance of the schedules agreed upon. That this system of rating is of inestimable advantage in reducing fire waste, and thereby reducing the cost of insurance and the rates of premium. That under this system definite charges are made for deficiencies in construction and faults in maintenance, and corresponding credits are given for the correction of the same, and thereby the insured are encouraged to adopt measures to reduce the fire risk and reward for each particular improvement which tends to that end.

NO MONOPOLY POSSIBLE.

As to the charge that the so called combination of the defendants was intended by them to create a monopoly in the business of insurance, they say that no monopoly in said business is possible or has ever existed here or in any other part of the world. That a monopoly in the insurance business can never exist on account of its very nature, since the business is free to all comers, and a merely artificial or arbitrary increase of rates, not justified by the character of the risks insured, would naturally and certainly lead to competition that would speedily reduce such rates to their proper basis, if not below the same. That on this account no pooling arrangement, trust, or other similar combination, such as exists in nearly every other American industry today, has ever been projected, much less formed, in the business of insurance.

Defendants state that in the interval between the dissolution of the association of fire insurance companies in Newark in 1899 and the formation of the Newark Exchange the insurance business in Newark became very much demoralized, and had the conditions continued for any length of time disastrous results to the companies and their insured must invariably have resulted, and the opinion of the then insurance commissioner to this effect is cited from his annual report.

COMPARISON OF RATES.

Defendants deny that the minimum rate fixed by the Newark Fire Insurance Exchange for dwelling houses is 60 cents per $100 for three years, and say that the minimum rate for that period of time is only 35 cents on brick dwellings, while the minimum rate of 60 cents is fixed only on frame dwellings. The following is a table of the rates prevailing in the principal cities of New Jersey and in the cities of New York and Philadelphia on both brick and frame dwellings. The Newark rate has prevailed ever since the formation of the said Exchange.

	Brick.		Frame.	
	1 Year.	3 Years.	1 Year.	3 Years.
New York	.13 1-2	.33 1-2	.21 1-3	.53 1-4
Jersey City	.13 1-3	.33 1-3	.21 1-3	.53 1-4
Hoboken	.13 1-3	.33 1-3	.21 1-3	.53 1-4
Camden	.10	.25	.20	.50
Philadelphia	.10	.20	.25	.50
Paterson	.25	.50	.30	.60
Trenton	.25	.50	.30	.60
Elizabeth	.16	.32	.24	.48
The Oranges	.12	.30	.16	.40
Newark	.14	.35	.24	.60
Passaic	.20	.40	.25	.50
Hackensack and Rutherford	.12	.30	.16	.40
Averages	.15 1-3	.34 1-4	.22 5-6	.51.48

As is well known, the insurance risk in New York and Philadelphia is far better than that existing in the average American city, or in any of the cities of New Jersey, because of the comparative small number of frame dwellings and the consequent lessening of the conflagration risk. In Newark this risk is a very great one, owing to the vast number of frame dwellings located in close proximity to each other and occupying a large portion of the city. Moreover, in many of the streets where these frame dwellings are so thickly located the fire service is inadequate, rendering the conflagration risk in the city of Newark a serious one. In Jersey City and Hoboken the rates are notoriously low, and all insurance men recognize the fact that they are entirely inadequate. Those cities are in what is known as the Metropolitan District, which is the name given to a district of which New York city is the centre. These low rates were established by the New York City Fire Insurance Exchange, and on this account those cities got the benefit of rates to which they were not entitled by themselves and which they could not have obtained if classified alone. Notwithstanding this, it will be observed that the rates in Newark are but little above the average of the rates in the cities named, and are lower than the average for one year on brick dwellings.

Comparing the rates on frame dwelling houses in Newark with the rates now prevailing in other American cities of the same class, we have the following result:

	1 Year.	3 Years.
Washington, D. C.	.40	.80
Baltimore, Md.	.40	.80
Syracuse, N. Y.	.30	.60
Rochester, N. Y.	.30	.60
Pittsburgh, Pa.	.45	.90
Chicago, Ill.	.50	1.00
Cleveland, Ohio	.30	.60
Cincinnati, Ohio	.30	.60
Newark, N. J.	.24	.60

NEWARK RATES NOT EXCESSIVE.

Defendants further say that the average rate paid for insurance in the city of Newark since the formation of the Newark Fire Insurance Exchange compares favorably with the rate prevailing in the State at large, but that defendants cannot give the exact average at this time; that the average rate paid in the whole State of New Jersey, as appears by the reports of the insurance commissioner, is 82 cents per $100 per annum, and that the average rate paid throughout the United States, as appears by the statistics supplied by the insurance departments of the various States, is $1.19; that New Jersey has the fourth lowest average rate, New York, Maryland and Delaware alone being lower; that as appears by the report of the New Jersey State insurance commissioner the total premiums collected in the State of New Jersey for the last two years was $12,590,436, that the losses paid were $9,642,375, or nearly 70 per cent. of the premiums collected; that, as is well known and generally accepted, the cost of conducting the insurance business, including taxes, license fees, etc., amounts to about 35 per cent. of the premiums collected. The result is, therefore, that even under the better rates

prevailing during the last two years the insurance companies have lost 5 per cent. of their premium income received during that time, or $600,000 in all. Taking, however, the city of Newark alone, and the period of nine years mentioned in paragraph 26 of the information, it appears that for that period, as is therein stated, the companies have paid out in losses 54 per cent. of the total premiums received; if to this be added 35 per cent. for the cost of insurance, it will be seen that but 11 per cent. is left for the maintenance of a reserve, for the cost of reinsurance, for abnormal losses by conflagration, and for dividend purposes. This shows no profit whatever.

Defendants deny that the city of Newark is extremely well protected against damage or loss by fire to property therein situated, as is claimed in the twenty-eighth paragraph of said information. They say that the high pressure fire service in said city is not at present adequate, and that the water distributing mains in parts of the city are inadequate. That nearly 10 per cent., or 24 miles, of the city's water mains are only 4 inches in diameter, and nearly 52 per cent., or 142 miles, are only 6 inches in diameter, and that those sizes prevail to a large extent throughout the congested frame dwelling house districts heretofore referred to; that water pipes of these sizes can only supply two or three fire engines, and in case of a conflagration would be likely to prove altogether inadequate.

Defendants further say that said city is without any fire boat service whatever on the Passaic River, a defect pointed out by the chief of the Newark fire department again and again.

They say that associations in all respects similar to the Newark Fire Insurance Exchange have been in existence in the cities of New York, Chicago, Philadelphia, Boston, Baltimore, Cleveland, San Francisco, Cincinnati, Pittsburgh, Detroit, Milwaukee and Washington, as well as in a large number of smaller cities, for a great number of years, and that their existence has everywhere tended to the improvement of insurance risks, the reduction and equalization of premium rates, and the better security of the insured; that in a few of the Western States such associations are prohibited by statute, and that in those States, on account of the inability of the companies to co-operate in classifying risks and in penalizing defects in construction and maintenance, the rates of insurance are much higher than elsewhere in the United States.

FIRE INSURANCE IS NOT COMMERCE.

The defendants, further answering, say that the business of fire insurance is not trade or commerce, and does not partake of the nature thereof; that insurance contracts bear no resemblance to ordinary contracts of barter and sale, in which one party is concerned only to get the highest possible price for his wares and the other to get them at the lowest possible price; that every insured is in an important sense an insurer of every other, and that the office of an insurer is little more than to collect from each of the insured such a sum as human experience has shown will probably be adequate to meet the losses that will occur from time to time to the individual insured. The resources of the insurers are derived from the insured, and the premiums constitute simply a trust fund to meet losses as they occur.

For these reasons rates must be fair, equitable and uniform, as well in stock companies as in mutual companies, and for the same reason. They must also be sufficient to create a fund adequate to meet losses, as, if they do not, there is no real insurance. That all insurance is mutual and that the dependence of the insured is in the premiums collected by the insurers and held as a reserve fund to meet losses is shown by the fact that the aggregate of liability under policies in force of all the insurance companies reporting to the Insurance Department of the State of New York at the close of the year 1903 amounted to $26,022,834,602, and that the net capital and assets of all such companies available for the protection of this property at that time was but $178,269,561.65, or considerably less than 1 per cent. of the amount insured. Since said reports were made said assets have been depleted to the extent of $30,000,000 by the Baltimore fire.

So dependent, declare the defendants, are the insurance companies upon the collection of just, fair and adequate rates of premium to meet losses as they occur, that an average reduction of 15 cents per $100 in the rate of premiums at present paid would bankrupt every insurance company doing business in the United States within less than ten years.

A table is given showing the results of fire insurance business in the United States for the ten years ending December 31, 1903, from which it appears that the profit on the business for that period was less than 2 per cent. of the premiums collected, or only $27,136,698, a sum less than the losses incurred by the companies in the Baltimore fire alone in February, 1904.

A HAZARDOUS BUSINESS.

Defendants say that the fire insurance business is especially hazardous on account of the conflagration risk so often sweeping away in a single week all the profits of all the companies for a year or a decade; that the business done and the profits made by the insurance companies are all reported year by year to the insurance departments of the various States, and that such reports show, as the fact is, that insurance companies have never been able to make large earnings from the business of underwriting, and that neither now nor at any period of time have the rates charged by them been exorbitant or oppressive or sufficient to more than secure a fair reserve fund to meet losses, with a slight and precarious dividend to their stockholders, or no dividend at all, and that, as already shown, the rates charged by the companies in the State of New Jersey are far below the average obtaining throughout the country, and that the rates charged in the city of Newark are lower than the rates charged in Washington, Baltimore, Syracuse, Rochester, Pittsburg, Chicago, Cleveland, and Cincinnati, cities of the same or greater size.

In conclusion, the defendants submit that the allegation in the information that the defendants are oppressing the people of the city of Newark and vicinity, and are exacting arbitrary, exorbitant and irrational rates of insurance, is as unjust and unfair as it is false and untrue; that the informant has not stated any matter within the equity jurisdiciton of the court, or any cause entitling him to the relief prayed for, or to any other relief, and they pray that they may have the same benefit of this objection as if they had demurred to the information, and they pray to be dismissed from the court.

Life Insurance Denounced as Sinful.

At the annual conference of the German-English Evangelical Lutheran Church, held at Knoxville, Tenn., recently, the Rev. P. Heckel, of Chattanooga, spoke earnestly in opposition to life insurance. In the course of his address he said:

In their continuous necessary contact and dealing with the world, Christians are in great danger, unless they watch and pray, of being corrupted into the same sinful mind view and objects of worldings, in danger of being tempted, for the sake of earthly gain and advantage, to become lax and indifferent with regard to God's express commands. Thus they become entangled in the snares of the devil, yield themselves up to practices which are doubtful and sinful, at the same time quieting their conscience by arguments which they have learned from the world.

Thus Christians lose their finer feelings, perception and sensitiveness to right and wrong—their conscience becomes dulled, so that finally they become conformed to the world, without being themselves troubled in conscience and without taking offense if they see their fellow Christians taking part in worldly practices.

And a matter of this kind, contrary to God's word, which has its origin in the world, is a fruit of unbelief, and which has yet attained such an enormous extension in the world and is defended by such plausible arguments that even Christian consciences have become blunted as far as perception of its real nature is concerned, is life insurance.

In considering the merits of the question, as to whether or not he may with a good conscience have any part in this institution, life insurance, a Christian is called upon first of all to close his eyes against all the seeming or real temporal benefits or advantages which will accrue therefrom to himself or his family after his death. These temporal advantages should not influence him in the least before he is perfectly assured that the matter is right or wrong in itself, whether it is in accord with God's word or not, whether he can or cannot participate therein without danger to his soul.

And here we declare emphatically in opposition to commonly accepted views on the subject—that the present system and justification of life insurance is not in accord with God's word, but contrary to it—is wrong and sinful; an institution to be shunned and avoided by every conscientious Christian; and this for reasons contained in the following four thesis:

1. Life insurance is a gambling game, a speculation in human life and death; a thing against which Christian feeling revolts; a doubtful matter, not of faith. Rom. xiv, 23. not of good report; upon which Christians should think. Phil. iv, 8, but something which, to say the very least, has the appearance of evil. I Thess. v, 22, and which is, as a lottery scheme and not as a legitimate (from a Biblical standpoint) business, actually sinful and against God's command.

2. The basic principle upon which life insurance rests is not

charity. I Cor. xvi, 14; Phil. ii, 4, but self interest, covetousness, greed of gain, and it is an institution which, above all others, thrives by usury. Ezek. xviii, 13; Prov. xxvii, 8.

3. Life insurance as an institution is a fruit of unbelief. Those who make use of it are induced thereto by distrust in God's generous promises. They put their reliance not in the living God, but in the mammon of unrighteousness.

4. Life insurance offers a continuous temptation and very often becomes the cause of greatest wrong, sin and crime, to both the insuring company and the individual insured and those in whose favor the insurance is taken out.

These assertions were fully discussed by the conference and accepted.

The Employers' Liability Assurance Corporation

(LIMITED),

OF LONDON, ENGLAND.

Total Available Resources, $6,816,020.00

$1,971,756.98 deposited in the United States for the benefit of United States Policyholders.

SAMUEL APPLETON, U. S. Manager and Attorney,
71 Kilby Street, Boston, Mass.

EDMUND DWIGHT, Resident Manager for New York State,
76 William Street, New York.

FORTY-FIFTH ANNUAL STATEMENT OF THE

HOME LIFE INSURANCE COMPANY,

GEORGE E. IDE, President. **No. 256 Broadway, New York.**

JANUARY 1st, 1905.

ASSETS.

*Bonds and Mortgages	$4,735,239.19
†Bonds and Stocks (market value)	7,852,107.49
Real Estate	1,731,053.76
Collateral Loans	12,750.00
Loans to Policyholders	1,551,511.78
Cash in Banks and Trust Companies	332,299.68
Interest and Rents due and accrued	122,636.38
Renewal Premiums in transit and Deferred Premiums, less cost of collection	268,630.79
TOTAL ADMITTED ASSETS	$16,606,229.07

LIABILITIES.

POLICY RESERVE at 3, 3½ and 4 per cent. interest	$13,783,512.00
PRESENT VALUE of all Dividend Endowment Accumulations (Deferred Dividends)	1,290,036.00
Total as per certificate of N. Y. Insurance Dept.	$15,073,548.00
All other policy liabilities	170,365.51
Fund voluntarily set aside to meet possible fluctuations in the price of securities, etc	228,211.31
Reserve to provide for all other contingencies	1,134,104.25
TOTAL LIABILITIES	$16,606,229.07

*Of the Mortgage Loans of the Company 87 per cent. is on property located in New York City, 72 per cent. is guaranteed as to principal and interest, and all are on a basis of less than 60 per cent. of a conservative valuation.

†The market value of these securities is $228,211.31 in excess of the cost or book value. To meet possible future fluctuations in price of these securities a fund of equal amount is reserved, as shown in the above statement under the head of Liabilities.

INCOME IN 1904.

Premiums—New, $725,997.69; Renewals, $2,312,034.92	$3,038,032.61
Interest, Rents	684,647.85
Total	$3,722,680.46

DISBURSEMENTS IN 1904.

Total Payments		$2,517,417.19
Including Death Claims, Matured Endowments and Annuities	$1,158,871.29	
Dividends to Policyholders	248,950.65	
Surrender Values	194,143.52	
Balance—Excess Income over Disbursements		1,205,263.27
Total		$3,722,680.46
Number of Paid-for Policies in Force, 41,541, being an increase of		3,436
Amount of Paid-for Insurance in Force, $74,892,289, being an increase of		$5,481,707.00
Returned to Policyholders since organization, and now held for their benefit		$45,367,568.30

RESULTS OF THE YEAR 1904.

Increase in:	Per Cent.	Increase in:	Per Cent.
Renewal Premium Income	10.23	Paid-for Insurance in Force.	7.90
Total Premium Income	11.00	Deferred Dividend Fund	12.94
Admitted Assets	9.95	Ratio of Interest received to mean Ledger Assets	4.47
Policy Reserves	8.16		

The Home Insurance Co.

OFFICE: No. 56 CEDAR STREET,

NEW YORK.

One Hundred and Third Semi-Annual Statement.

JANUARY, 1905.

SUMMARY OF ASSETS:

	Par Value.	Market Value.
Cash in Banks and Trust Companies		$1,042,689.43
Real Estate		1,593,892.06
United States Bonds	$1,600,000.00	1,980,000.00
State and City Bonds	3,114,000.00	3,156,960.00
Railroad Bonds	2,128,000.00	2,184,560.00
Miscellaneous Bonds	328,000.00	285,840.00
Railroad Stocks	4,865,000.00	7,198,750.00
Gas Stocks	220,000.00	435,600.00
Bank and Trust Company Stocks	115,000.00	358,550.00
Bonds and Mortgages, being First Lien on Real Estate		81,700.00
Premiums Uncollected and in Hands of Agents		1,097,079.54
Interest Accrued on Bonds and Mortgages		1,708.50
Total		$19,417,329.53

LIABILITIES:

Cash Capital	$3,000,000.00
Reserve Premium Fund	7,210,566.00
Unpaid Losses	976,171.49
Unpaid Reinsurance, and Other Claims	779,270.81
Reserve for Taxes	75,000.00
Net Surplus	7,376,321.23
Total	$19,417,329.53

Surplus as regards Policyholders $10,376,321.23

DIRECTORS:

LEVI P. MORTON, DUMONT CLARKE,
CORNELIUS N. BLISS, JAMES B. VAN WOERT,
JOHN. H. WASHBURN, JOHN CLAFLIN,
ELBRIDGE G. SNOW, CORD MEYER,
GEORGE H. HARTFORD, LEVI C. WEIR,
HENRY F. NOYES, JOHN H. FLAGLER,
LUCIEN C. WARNER, EMAUEL H. A. CORREA.
SAMUEL D. STYLES.

ELBRIDGE G. SNOW, President.
EMANUEL H. A. CORREA, Vice President.
FREDERIC C. BUSWELL, Vice President.
AREUNAH M. BURTIS, Secretary.
WILLIAM H. CHENEY, Secretary.
CLARENCE A. LUDLAM, Assistant Secretary.
HENRY J. FERRIS, Assistant Secretary.

New York, January 10, 1905.

What is the use of saying "the best company," or "the strongest company," or "the largest company"? They all say these things.

We say simply

The Penn Mutual Life Insurance Co.

OF PHILADELPHIA. Organized 1847.

That tells the whole story

Established 1782.

Phœnix Assurance Company, Ltd.,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.

Head Office for the United States, 47 Cedar St., N. Y.

A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.

A. D. IRVING, JR., Sec.

1851 Phoenix Mutual Life Insurance Company 1904

OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance.

The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office

JONATHAN B. BUNCE, President.

WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. Capital, $100,000.

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y

Telephone: 3894 John.

FORTY-FOURTH YEAR.

AGENTS WANTED

BY

The Manhattan Life

OF NEW YORK

Exclusive Territory

Liberal Contracts

STRENGTH

SECURITY

SOLIDITY

The Columbian National Life Insurance Company

BOSTON, MASS.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

"SAFE AS A NATIONAL BANK NOTE"

The Inter-State Life

ASSURANCE COMPANY,

INDIANAPOLIS, IND.

CHARLES A. SUDLOW, President. F. P. DAVENPORT, Secretary

EASTERN DEPARTMENT: 621 Walnut Street, PHILADELPHIA.

H. E. ROBERTS, Second Vice-President.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000

STATEMENT DECEMBER 31, 1904.

Resources (including Capital, $2,500,000), ... $5,837,309.20

Liabilities (including Reserve, $793,173.24), ... 1,204,075.01

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

TELEPHONE: CORTLANDT 5395.

SUN

Insurance Office of London

FOUNDED 1710.

United States Branch: 54 Pine St., New York.

Western Department: 171 La Salle St., Chicago.

Pacific Department: 215 Sansome St., San Francisco.

THE AMERICAN FIRE INSURANCE COMPANY.

OFFICE COMPANY'S BUILDING. *308 and 310 Walnut Street, Philadelphia.*

CASH CAPITAL,	**$500,000.00**
Reserve for Reinsurance and all other claims,	**1,978,814.57**
Surplus over all Liabilities,	**354,025.78**

TOTAL ASSETS, JAN. *1, 1904,* $2,832,840.35.

THOS. H. MONTGOMERY, *President.*
JOHN H. PACKARD, Jr., *Vice-Pres. and Sec'y.*
WM. F. WILLIAMS, *Treas. and Asst. Sec'y.*
WM. B. KELLY, *Gen'l Mgr.*

DIRECTORS.

Thomas H. Montgomery.	Charles S. Whelen.	Edward Lowber Welsh.
Israel Morris.	Edward F. Beale.	Archibald R. Montgomery.
Joseph E Gillingham.	John S. Gerhard.	John H. Packard, Jr.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office 50 and 52 Pine Street.

New York City.

STATEMENT JANUARY 1, 1904.

Assets	$1,734,353.51
Liabilities	992,722.08
Net Surplus in the United States	$741,631.43

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

SUCCESSFUL LIFE INSURANCE MEN

wishing to secure a first-class contract with a continuous renewa interest should communicate with

Security Mutual Life Insurance Co.

BINGHAMTON, N. Y.

CHAS. M. TURNER, President.

New policy forms with special features very attractive to prospective insurers.

FOR FULL PARTICULARS ADDRESS

A. B. HOWE, Assistant General Manager.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company
OF NEW YORK.

BRITISH AMERICA ASSURANCE CO. ESTABLISHED 1833.

FIRE AND MARINE. HEAD OFFICE—TORONTO, CANADA.

UNITED STATES BRANCH.

JANUARY 1, 1904.

Assets	$1,427,304.89
Liabilities	950,557.91
Net Surplus	$476,746.98

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.
W. T. BLACKWELL, Superintendent of Agencies.

Home Life Insurance Co.

OF NEW YORK.

GEO. E. IDE, - - - - PRESIDENT.

Admitted Assets	$15,102,840.00
Policy Reserve, etc.	12,754,653.00
Dividend Endowment Fund (Deferred Dividends.)	1,142,219.00
Net Surplus	1,126,769.00
Insurance in Force	69,410,582.00

C. H. Bunker, President. Franklin H. Head, Vice-President.
A. A. Smith, Secretary. H. G. B. Alexander, 2nd Vice-Pres. and Gen. Mgr

Continental Casualty Company

POLICIES ARE PROTECTED by more than ONE MILLION DOLLARS ASSETS.

Capital Stock, $300,000.00
Accident and Health Insurance
General Offices, Chicago

OVER FIVE MILLION DOLLARS paid in claims to 175,000 of our POLICY HOLDERS.

GOOD CONTRACTS IN GOOD TERRITORY TO GOOD MEN

Producers, address H. G. B. Alexander, 2nd Vice-Pres. and Gen. Mgr. 134 Monroe Street, Chicago.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT JULY 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,021,650.85
Special Surplus Fund	100,000.00
Surplus and Undivided Profits	462,362.78
Total Assets	$3,284,013.63

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, Gen'l Counsel.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1904

On the 1st of March, 1904, **The Connecticut Mutual** reached a stage in its history very interesting to its management and its members, and one which is unique in the history of American Life Insurance.

On that date, but little more than fifty-eight years from its organization, it had received from its members in premiums the sum of $228,376,268, and had returned to them or their beneficiaries $228,724,073, or $347,805 more than it had received from them.

The Connecticut Mutual is the first American Life Insurance Company to return to its members one hundred per cent. of its receipts from them. And it holds besides $65,000,000 of assets, with a surplus of over $4,600,000, to protect over 70,000 policy-holders insured for over $166,000,000.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1904.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Reinsurance and all Liabilities,	3,842,171.20
Surplus,	2,519,442.31
Total January 1, 1904,	$6,261,613.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President — EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. — BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. — T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York.

There Can Be But One "Largest and Best Company"

IT IS

THE MUTUAL LIFE
Insurance Company
OF NEW YORK

Men of character and ability should become identified with it.

There is always an opportunity for good men to make money and reputation in its service.

APPLY TO

GEORGE T. DEXTER

Superintendent of Domestic Agents
32 Nassau Street, New York City

ASSETS OVER - - - - - $401,000,000
PAID POLICYHOLDERS OVER - $630,000,000

SUBSTANTIAL AND RELIABLE.

The Travelers Insurance Company

OF HARTFORD, CONN.

SYLVESTER C. DUNHAM, PRESIDENT.

FINANCIAL CONDITION JANUARY 1, 1905.

RESOURCES.	
Railroad Bonds and Stocks	$21,823,284.05
Loans Secured by Mortgages, first liens	8,920,132.05
Government, County, and Municipal Bonds	4,078,508.15
Other Bonds and Stocks	1,272,015.00
Loans Secured by Company's Policies	2,818,517.90
Cash on Hand and in Bank	1,603,126.73
Bank Stocks	1,172,850.00
Loans Secured by Collateral	972,812.16
Real Estate	697,665.74
Interest Accrued but not Due	329,141.75
Deferred Life Premiums	454,653.61
Premiums in Course of Collection on Life Policies	314,270.61
Total Resources,	***$44,456,977.75***

RESERVES, AND ALL OTHER LIABILITIES.	
Reserve Funds, to Protect Policyholders	$38,255,382.18
Losses in Process of Adjustment	218,885.14
Life Premiums Paid in Advance	46,234.52
Special Reserve for Taxes, Rents, etc	100,000.00
Dividends Due Policyholders	1,202.11
SURPLUS TO POLICYHOLDERS	5,835,273.80
Total Reserves, etc.,	***$44,456,977.75***

RECORD OF 1904.	
Total Cash Income	$12,539,000
Increase in Cash Income	1,385,000
Increase in Resources	4,351,000
Increase in Surplus to Policyholders	606,000
Increase in Life Insurance in Force, "paid for" basis	12,316,000
Increase in Reserve Funds to Protect Policyholders	3,788,000
Paid to Policyholders	4,895,000

RECORD TO END OF 1904.	
Paid to Policyholders, over	$59,000,000
Life Insurance in Force, "paid for" basis	145,077,000
Number of Accident Policies Issued	3,750,000
Number of Accident Claims Paid	432,000

ESTABLISHED 1837.

WESTCHESTER FIRE INSURANCE CO.

100 WILLIAM STREET, NEW YORK.

68th Annual Statement to Stockholders, January 1, 1905.

CAPITAL STOCK—Paid in, $300,000.00.

ASSETS.			Par Value.	Market Value.
Real Estate				$56,976.17
Bonds and Mortgages, first liens				323,200.00
New York City Bonds			$300,000.00	300,000.00
Georgia State	"		10,000.00	11,000.00
Portland, Ore., City Bonds			50,000.00	60,000.00
Richmond, Va., City	"		16,000.00	16,000.00
New York & Harlem,	R. R. Stock		60,000.00	240,000.00
Rensselaer & Saratoga,	"	"	90,000.00	184,500.00
Albany & Susquehanna,	"	"	40,000.00	92,000.00
New York, Lackawanna & Western,	"	"	80,000.00	104,000.00
Rome, Watertown & Ogdensburg	"	"	50,000.00	65,000.00
Oswego & Syracuse,	"	"	39,600.00	91,000.00
Syracuse, Binghamton & N. Y.,	"	"	50,000.00	100,000.00
Chicago, Mil. & St. Paul, Com.,	"	"	100,000.00	171,750.00
Pennsylvania,	"	"	140,000.00	193,500.00
New York Central & Hudson River,	"	"	100,000.00	142,000.00
Atchison, Topeka & Santa Fe,	"	"	50,000.00	50,500.00
Manhattan,	"	"	100,000.00	165,000.00
Erie, 1st Pref.,	"	"	100,000.00	75,000.00
Illinois Central,	"	"	100,000.00	156,500.00
Union Pacific,	"	"	80,000.00	91,000.00
Chicago Northwestern, Com.,	"	"	50,000.00	104,000.00
Southern, Pref.,	"	"	50,000.00	48,400.00
Missouri Pacific,	"	"	100,000.00	107,500.00
American Telephone & Telegraph,		"	50,000.00	73,000.00
Delaware & Hudson Co.,		"	100,000.00	185,000.00
Chatham National Bank, N. Y.,		"	5,000.00	16,500.00
Westchester & Bronx Title Guar. Co.,		"	5,000.00	7,500.00
Underwriters' Salvage Co.,		"	1,000.00	1,000.00
Cash in Banks and Office				99,962.25
Agents' Balances in Course of Collection				280,101.02
Interest and Dividends Due and Accrued				24,582.00
TOTAL ASSETS				$3,636,471.44

LIABILITIES.		
Unearned Premiums	$1,770,315.59	
Unpaid Losses	153,349.40	
All Other Claims	44,204.14	
Total Liabilities		$1,967,869.13
Capital Stock		300,000.00
Net Surplus, beyond Capital Stock and all Liabilities		1,368,602.31

This Company has been in CONTINUOUS and SUCCESSFUL operation for more than THREE SCORE YEARS, and operates under provisions of SAFETY FUND LAW OF NEW YORK.

GEORGE R. CRAWFORD, President. M. O. BROWN, Secretary.
JOHN Q. UNDERHILL, Vice Pres. & Treas. JOHN H. KELLY, Asst. Sec.

INCORPORATED 1851.

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OF PITTSFIELD, Mass.

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EDSON D. SCOFIELD, Superintendent, 180 Broadway, New York City.
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The Weekly Underwriter:

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THE Arkansas legislators have obeyed their Boss and made into law by overwhelming majorities the King anti-trust bill, which provides that a company, as a condition of doing business in the State, shall make affidavit that it has not entered into a combination or understanding with any other association of persons in the State "or elsewhere" to regulate or fix in that State "or elsewhere" the premium to be paid for insuring property against loss or damage by fire, lightning, etc. The bill goes into force sixty days from its passage; that is, March 20, 1905. Three courses are open to the companies: To await an appeal to the State Supreme Court, which may be induced to act within the time limit, as one of the judges is known to believe in the unconstitutionality of the law; to cancel all policies, rewrite none and cease transacting business in the State at once; to withdraw and continue doing business in the State from outside. Unless relief comes from the Supreme Court the agency companies must get out of the State, anyway, for it is impossible for them to sacrifice their association connections elsewhere to oblige the petty autocrat of a single State which is not a very important factor in their business. Probably the problem which the companies will seek to solve will be how to retain their Arkansas business without complying with the requirements of the Arkansas anti-trust law. Besides their own interests there are those of their faithful agents and their policyholders in the State to consider. The property owning class, which needs the protection of insurance, is not a party to the wrong and folly perpetrated by the Legislature. They have fought against it with all the influence that they were able to control. The question that has been raised—whether it is morally right to insure property in Arkansas in violation of its law—is not worth deliberation. A State capable of passing such a preposterous law is not worthy of respect.

FIRE underwriters as well as fire extinguishing departments are beginning to take interest in the continued agitation in behalf of the two platoon system as against the one day off in five (or more) plan in the fire service, and attention has recently been stimulated by the address of Mr. Frederick H. Cowles before the Insurance Society of New York, some extracts from which we print in this issue. Mr. Cowles is an earnest advocate of the shift system, because he believes that the prime physical condition of the human material of the service is its most important factor. This condition depends upon regular facilities for rest and recuperation, which are only possible when the workman has alternations of moderate length of labor and cessation from labor. The five days' stretch, with uncertain opportunities for short intervals of sleep, constitutes a strain upon the fireman which, with contributing temptations, impairs his efficiency and breaks down his health. This is, in substance, Mr. Cowles' argument, and he enforces it with citations from the fire department records of New York and other cities, which, he claims, show that the death rate among firemen from pneumonia, consumption, heart disease and diseases of the kidneys is much heavier than the death rate of the general population according to the United States census, which he attributes to the irregular lives of the firemen under existing conditions. It is well known that some fire department dignitaries of high degree dispute Mr. Cowles' position, but it is only fair to him to say that so far they do not attempt to oppose his statement of facts with facts of their own, but rather parade their opinions as experts against what they claim to be his inexpert theories. The question, after all, resolves itself into that of the value of a man as a fireman under the two systems. Apparatus and water supply, be they ever so perfect, avail little if the fireman is inadequate. It was the men behind the great guns that won the battles off Santiago and Port Arthur.

THE legislative mill ground industriously the past week, as our news columns amply testify. Besides the enactment of the law to eject fire insurance companies from Arkansas, there were introduced in other legislatures a number of drives at fire insurance companies which, if successful, will still further hamper their business. In Maine the arbitration clause in the standard policy is again attacked. A Texas bill establishes a State insurance commission to govern fire insurance companies, "so that extortions in rates may be prevented and reasonable rates may be secured," and another bill recites that the "depleted condition of the treasury and the fact that insurance companies are paying far less than their fair share of the expenses of the State government" require an increase in taxes of fire insurance companies of two hundred per cent. (This proceeds on the theory that the foreign stockholders instead of the Texas policyholders shoulder the burden of the tax, which is a mistake.) In Tennessee there is a resolution for the appointment of a committee to investigate fire insurance rates in the State and report whether they are "excessive." Oklahoma proposes the taxation of fire insurance companies by cities for the equipment of fire departments and the maintenance of sick and injured firemen. In Massachusetts Mr. "Swig" has introduced a bill to fine companies not more than $10,000 for each offense when they insure real or personal property for an amount greater than its assessed value. Oregon announces an anti-compact bill, and Texas and New Mexico legislators want independent State insurance departments, to be supported, of course, by the insurance companies. A curious bill in New Hampshire, which applies, however, to life companies, fines agents from $200 to $500 who devote the principal part of their time to other business than that of

insurance. In Illinois a loss and gain exhibit by life companies is desired. The message of Governor La Follette, of Wisconsin, to the Legislature concerning life insurance, which we print in full, reveals crudities in a conception of the nature of life insurance which were hardly to be expected from so seasoned a publicist. The Governor appears to be troubled with socialistic obsession.

Several Southern States are earning a disagreeable notoriety by affording easy means for the incorporation of speculative and wildcat fire insurance companies. It is gratifying, therefore, to note the advice given by the excellent Insurance Commissioner of North Carolina to the Legislature of that State to pass a law annulling all charters passed in former sessions which have not yet been used and which are held presumably by their incorporators for speculation. Fortunately, for the future no charter can be granted that has not first received the approval of the Insurance Commissioner. This condition does not obtain in Virginia, whose recent multiplication of paper insurance companies, under the new corporation law, has become a scandal; nor in Delaware and West Virginia, which are breeding places of Chicago wildcats. In this connection it may be mentioned that an application to the Auditor of West Virginia for a list of the fire insurance companies organized in the State in 1904 brought the reply that "no fire insurance companies were organized in this State during the past year. Very few insurance companies are organized under our laws. Occasionally some outside concern will apply for a charter from this State, but this does not give it authority to transact business within the State." It is this willingness of West Virginia to allow adventurers to trade on her good name that brings fire insurance incorporations of that State into disrepute. There were several new Chicago concerns reported last year with West Virginia charters and nominal assets, as will be seen by reference to the list of organizations in 1904 printed in our issue of January 7. Auditor Scherr, whose vigilance as an official is unquestionable, could do his State no better service than to secure from its Legislature restrictions upon the issuance of insurance charters, so that only bona fide corporations having a minimum cash capital of $100,000 could obtain them. The failure or exposure of a Chicago wildcat with a West Virginia charter discredits that State in the estimation of the public, which knows nothing of the way in which the brand is acquired. There is laxity in other States in charter granting, but the three that have been last named are the worst offenders, and their legislatures should hasten to protect their good names.

Facts and Opinions.

At the meeting of the board of directors of the **Washington Life insurance company** held in New York on Tuesday further important changes were made in the official force of the company. Charles H. Allen was elected vice president, B. F. Ellsworth acting secretary, Dr. S. T. Armstrong medical director, and Israel C. Pierson was continued as actuary. The following additional new directors were elected in place of those dropped: Dumont Clarke, president of the American Exchange National Bank; Charles F. Cutler, president of the New York Telephone Company; Samuel B. Clarke, attorney at law, and Charles H. Allen, the new vice president, who is vice president of the Morton Trust Company. The following old directors remain: Levi P. Morton, Charles H. Ludington, Henry F. Hitch, David Thompson, Israel C. Pierson and George M. Hard. The following old directors were left off the board: William A. Brewer, ex-president; Graham H. Brewer, ex-vice president and secretary; L. B. Sanderson, Dr. J. W. Brannan, Robert Bowne, John B. Lawrence, E. V. Connett, Roland G. Mitchell, Jordan L. Mott, Jr., and Randolph F. Purdy. The resignations of old officers were Graham H. Brewer as vice president and secretary, Cyrus Munn as second vice president, Dr. J. W. Brannan as medical director. The new vice president, Charles Herbert Allen, vice president of the Morton Trust Company, and late Governor of Porto Rico, was born at Lowell, Mass., April 15, 1848, and was fitted for Amherst College in the public schools of Lowell. He was graduated from Amherst, from which he has since received the honorary degree of LL. D., in 1872. He was in business as a lumber merchant at Lowell for a number of years, served in the Massachusetts Legislature from 1881 to 1884, and two terms in Congress as Representative. He was the Republican candidate for Governor of Massachusetts in 1891, being defeated by William E. Russell. In 1898 he was appointed Assistant Secretary of the Navy, succeeding Theodore Roosevelt in that position, and in 1900 was appointed Governor of Porto Rico, serving until the following year. It is generally understood that Mr. Tatlock has three months' leave of absence from the Mutual Life, and that his permanent successor will be Mr. Allen, in case the company is not absorbed by the Mutual Life, by which it will be controlled in any event. There will be a very extensive reorganization of the field force. The former president, Mr. Brewer, and his son now retire to the shades of private life, well fixed in a pecuniary sense. The report is that the president's salary was $35,000 per annum, and that of Vice President Brewer $10,000. The results of the examination by the New York Insurance Department are being awaited with much interest.

It is generally accepted that there will be an advance upon the prevailing rates in all classes of the surety business this year. This improvement is a spontaneous one, and is based upon the unprofitable nature of the business for several years, and is the result of a determination that either the **cost of surety shall be advanced** or the business become extinct. At this time of the year there is a large amount of business being written in depository bonds, guaranteeing the safety of public funds deposited by treasurers, county commissioners, and other financial officers. The lowest rate at which this business is being accepted is 25 cents per 100, and in some localities 30 and 40 cents is being received. Companies executing these bonds are finding great difficulty in securing the necessary reinsurance, as the larger companies are writing only amounts equal to one-fourth of the capital and surplus of all banks and depositories. The city of Buffalo has been an unfortunate one for the surety companies in the matter of such bonds, as there has been three or four failures of institutions there upon which heavy payments had to be made by the bonding companies. The latest is the German Bank, upon which the Title Guarantee and Trust Company, of Scranton, Pa., has paid a loss of $164,000. This unpleasant experience has intimidated other surety companies, and they are scanning depository applications more than ever before. At various times there have appeared statements of organizations of companies to write surety bonds upon not only public funds deposited with the banks but also general commercial balances. One of the surety companies located in

the West, about a year ago, announced its intention of issuing bonds upon general deposits. All of these schemes have "died aborning," and the latest one which was announced with a flourish of trumpets would have a capital of $1,000,000, and have its home office in Washington, D. C., has not materialized. Surety conditions have greatly improved throughout the entire country since the beginning of the year just closed, and the companies generally have had more successful business in the year 1904 than that of 1903, and will show, generally, increase of net surplus. There is a gratifying tendency on the part of the surety agents of the various companies in the large cities to form associations for the purpose of correcting abuses and promoting the social amenities and courtesies of the business. The latest associations in process of formation are located at Detroit, Mich., and Scranton, Pa., where there have been several meetings on the subject and rules and regulations adopted.

It is not everyone that needs to be scared into taking insurance, but there is no doubt that the clever general advertising done by the **New Amsterdam Casualty Company,** of this city, with its "dark man behind the gun" and other "catchy" posters has had much to do with the large and permanent business done by the company during the year past. And a large amount of good business means a satisfactory financial condition, as can be readily seen by referring to a few of the figures announced in the company's annual statement. The total assets amount to $832,-632.39, and the net surplus over all liabilities and contingencies totals $102,250.51, which does not include various large amounts set aside as special reserves and a specified contingency fund of $16,000. The company during 1904 increased the funds for the protection of its policyholders by $75,000 and has $250,000 deposited with the New York Insurance Department for the protection of its policyholders. Just to prove that the policyholders themselves are benefiting by the business, it may be stated that the New Amsterdam has paid up to January 1, 1905, to those who have held its contracts, indemnity amounting to the goodly sum of $932,351.48, or considerably more than the present amount of its assets. The company's total surplus to policyholders is now $416,650.51, and the table of growth from 1900 to the present time, as detailed in the statement, shows a marked and steady progression. The company has paid much attention during the year past to improving and liberalizing its policy contracts and now stands *prima inter pares* with the other companies whose progressiveness and prosperity have given such an impetus to casualty insurance recently. The present officers of the company, to whom the credit of such conditions naturally accrues, should certainly be mentioned in this connection, and are as follows: W. F. Moore, president; Joseph D. Redding, vice president; George E. Taylor, secretary; George C. Pratt, treasurer; W. J. McCaffrey, general manager.

The report for December, 1904, of the Boston Manufacturers Mutual Fire insurance company tells of a **sprinkler accident loss** that occurred on December 24 in a cotton storehouse at Hebronville, Mass. At about 5:30 in the morning two sprinklers opened in the third story, and before the accident was discovered damage of more than $5,000 had been done to the cotton on storage. The report says that the accident was due to the improper pitch of the pipes when the equipment was put in, thus allowing water to pocket in the end of the pipes, which, freezing up, burst open the sprinklers. The sprinkler system was of the dry pipe order, and had an electric alarm attachment, but as the watchman made his last round at about 5 a. m., and then went to the boiler house to start up the fires under the boiler, it is probable that in shoveling the coal he did not hear the alarm. Another accident, due to freezing of water in a sprinkler system, which burst open the heads, occurred on December 12 at the Osborn Mills in Fall River, and caused a loss of $545. With the December report comes Circular No. 78, treating of fire apparatus. It relates that since date of issuance of the last circular of that nature in February, 1892, great changes have occurred in the construction of fire apparatus, while the necessity for larger sizes of pipe has become manifest; also that under existing conditions and at present prices a more effective service can be put in position at less cost than almost ever before. It is also announced that a report is in press on composition roofs, and that reports are in process on corrosion of steel, on paint and on reinforced concrete construction. In view of the large extent to which the last named material is entering into the construction of the new buildings in the burnt district of Baltimore, the promised report upon it should be of particular interest at the present time.

At the **annual meeting of the Mutual Benefit Life** insurance company, of Newark, Mr. Edward Everett Rhodes and Mr. Sidney N. Ogden, who, for the past three years have been the assistant mathematicians of the company, were advanced, and each was honored by the board of directors with the title of actuary. We say honored, because they are now fully charged with the responsibilities made great by the eminent services rendered to American life insurance in general, and the Mutual Benefit in particular, by their predecessors in office, the Hon. Amzi Dodd and Bloomfield J. Miller. Mr. Rhodes is well known as the author of the "Short Actuarial Studies" which have been running in the company's organ, *The Pelican.* He is not yet forty years of age, and has been connected with the Mutual Benefit some eighteen years. During the last few years his duties have brought him in close touch with the underwriting business. His colleague, Mr. Ogden, has been with the company for twenty-eight years, and is a member of the Actuarial Society of America. Both Mr. Rhodes and Mr. Ogden are the sort of men who are in sympathy with the traditions of their company, which constitutionally, and for sixty years, has been sequestered from all scandal; to whom "rectitude is a perpetual victory to be celebrated, not by cries of joy but with serenity," and who will follow, as did their predecessor, Mr. Miller, the company's vice president, in the footsteps of Mr. Dodd, whose "lengthened shadow" the Mutual Benefit is. Mr. Dodd was always above "tricks of the trade," and he has communicated his own love of justice, his own high ideals and purity to his lieutenants who now succeed to the department he so long administered with great ability and fidelity.

We print on our last page this week the **ninety-fifth annual exhibit** of the figures of the **Hartford Fire insurance company,** the oldest insurance company in that incubator of indemnity. The assets of the company in sum total are $15,-632,483, and the surplus to policyholders is $5,276,248. The net surplus amounts to $4,026,249 and the reinsurance reserve is $9,-010,890. Insurance statistics are usually dry, but there is an undeniable pungency in these "Stag"-gering figures of the famous Hartford. The capital stock is $1,250,000 and a folder issued by the company shows an imposing array of the best investment securities in the country. Such an exhibit will make policyholders and stockholders alike breathe a sigh of satisfaction to feel that their interests are so well safeguarded by the business methods of President George L. Chase and his associates. The following interesting computation shows what the company did during

the redhot year of 1904 to distribute the fire loss in the United States. Record of disbursements of the Hartford Fire insurance company for 1904, by periods, allowing 300 business days in a years, and eight hours per day:

	Losses Paid.	Expenses Paid.	Total.
Each second, at the rate of.....	$0.84	$6.45	$1.29
Each minute, at the rate of.....	50.37	27.20	77.57
Each hour, at the rate of.....	3,022.05	1,632.32	4,654.37
Each day, at the rate of.....	24,176.43	13,058.56	37,234.99
Each week, at the rate of.....	151,102.69	81,615.99	232,718.68
Each month, at the rate of....	604,410.76	326,463.98	930,874.74
Total for year	$7,252,929.13	$3,917,567.75	$11,170,496.88

Fire protection conditions at Buffalo attracted much attention among underwriters this week. The recent report of the National Board was quite disparaging, stating as it did that new pumping machinery should be installed near the heart of the city in fireproof buildings; that the average pressure of the water mains was less than it should be, and that it could not be improved without remodeling the existing pumping plants. At a meeting of the Buffalo aldermen this week the recommendations of Commissioner Ward, of the Department of Public Works, which cover a great part of the recommendations of the National Board, were adopted and the commissioner expects to have an appropriation of $500,000 to carry on the work. It will, however, be some time before the city can be put into a safe condition from an underwriting standpoint. There was quite a serious water famine there this week, due to an accident by which the steamer Massasoit rested on the intake pier and cut off part of the supply. In addition four of the pumping engines collapsed temporarily. A number of companies canceled outstanding policies and directed their agents to write no more policies until conditions were improved. The non-board companies reaped a harvest for the time being. The Commercial Union and Palatine of London and the Commercial Union Fire of New York ordered all their Buffalo agents to stop business, and the German-American of New York will not write any new risks. It is reported that certain of the Hartford companies are cutting out lines in the congested district. The Buffalo board, however, adopted resolutions declaring that the water supply is good and deprecating "hasty and drastic action" by the companies.

The special committee of the New York Board of Fire Underwriters, which was appointed at the December meeting to look into the condition of the **New York fire alarm telegraph system,** has made its report. In an interview this week, Mr. W. B. Ogden, chairman of the committee, said: "The present system of fire alarms in New York answers all practical purposes, but it is not up to date and there is room for many improvements. They recommend that the system be given a thorough overhauling and a building erected specially for its headquarters, such that no outside surroundings can influence as to the mechanism of the apparatus. Also duplicate apparatus should be installed to guard against breakdowns or accidents. The present system has now been in use for so many years that the city has outgrown it. When additional boxes have been required they have been installed on the old circuits, because the contractors have not had the right to put in new circuits. The result is that there are now about twice as many boxes on each circuit as there should be. The present boxes are of a type which impairs the circuit when an alarm is sent in, so that if two alarms were sent from two different boxes upon the same circuit, one shortly after the other, the second, if it reached headquarters at all, would come in such a badly mixed up state as to be undecipherable. The committee recommends the installation of a continuous circuit type of boxes, which would permit of several alarms being sent in on the same circuit at the same time without interfering."

A ruling of the Minnesota Supreme Court in the case of M. Webster & Sons, appellants, against P. Ferguson et al., respondents, is to the effect that **an agent** who writes insurance for a company not authorized to transact business in Minnesota is **not liable for the loss** if he has reasonable grounds for belief that the company is duly authorized. In this case Ferguson placed insurance for the plaintiff in several unauthorized companies. The court says that the agent is not liable unless the insured was deceived by his conduct, and that evidence shows that the agent had a reasonable belief that the company was doing legitimate business. One of the contentions of the defendant was that he was not a duly appointed representative of the unauthorized companies, and therefore did not come within the meaning of an "insurance agent." The court holds that it is not essential that he be so appointed. Former Insurance Commissioner Elmer H. Dearth says regarding the opinion: "This is the first time that the law has been tested in Minnesota, and the decision is an important one. It points out to the public the futility of seeking protection from companies which are not authorized to do business in Minnesota."

At the annual meeting of the **Ætna Indemnity Company,** of Hartford, on Tuesday, the ticket headed by Arthur P. Heinz for directors was elected by a majority of 200 shares. The opposing faction objected to the voting of certain shares held by Calvin O. Geer, but the Insurance Commissioner of Connecticut has recognized the legality of his action. The directors effected a reorganization of the official staff, electing Mr. Heintz, who is a brother of the copper magnate, president, and relegating Beekman Hunt, the former president, to the vice presidency. He will continue as manager. John MacGinnis, of New York, was elected vice president, and E. S. Pegram was dropped as secretary, Earl M. Lamphear, of New York, being appointed temporarily in his place. The old directors dropped were Judge Nichols, of the National Fire; Mr. Hamilton, Percival Kuhne, of New York; Judge E. H. Gary, of New York, and President C. W. Young, of the United States Mortgage and Trust Company, of New York. The new directors include Mr. Heintz, Clarence Lexow, Stanley Gifford, Max H. Schultze and Calvin C. Geer. William Turnbull was dropped as treasurer, but the place was not filled. The defeated ticket had Mr. Turnbull slated for president, Henry G. Penniman for vice president and general manager, and Mr. Pegram for secretary.

The annual **statement of the United States Fidelity and Guaranty Company** of Baltimore is the best ever issued by that company, and shows that it received for premiums for the year $2,102.589.24, a gain over the previous year, and that the company has written $700,000 more premiums than any other surety company in the United States. The company confines itself to the business of surety and burglary insurance, and the entire capital, resources and surplus, aggregating $3,304.804.87, are at risk only for the benefit of the holders of its bonds. After paying 7 per cent. dividend in 1904 the company has materially increased its surplus and undivided profits. Henry V. D. Johns, heretofore superintendent of the bank bond department, has been appointed superintendent of the burglary department, to succeed Henry K. Brent, who

resigned to accept a position with the Equitable Life Assurance Society of New York. Col. J. Frank Supplee, assistant to the president, succeeds Mr. Johns as superintendent of the bank bond department. The company has surplus, reserve and undivided profits aggregating $1,604,805. Its capital stock is $1,700,000, and its total assets are $3,304,805. Its liabilities total $1,604,805.

The high standing of foreign fire insurance companies in this country is exemplified in the annual statement just issued by the United States branch of the **Rossia insurance company of St. Petersburg,** Russia, which does a reinsurance business only in this country, and wrote last year the satisfactory amount of premiums of $895,177.51, and paid out in losses $121,898.62. The total assets of the United States branch, including deposits with the trustees and the Insurance Department, are $1,098,362, and the net surplus is $527,646. The reinsurance reserve is $476,038. During the year the company had a loss ratio of 24.12 per cent. and an expense ratio of 31.16 per cent. The statement as a whole should give much satisfaction to the directors of the company at the home office and reflects credit upon the able management of Mr. C. F. Sturhahn, who directs the company's operations on this side of the water. The United States trustees of the company are Hugo Schumann, president of the Germania Fire insurance company; Hubert Cillis, vice president of the Germania Life insurance company, and Isaac N. Seligman, the well known banker.

Life insurance inculcates the elements of business success—saving, foresight, caution, thrift, self help, prevention of waste, provision for emergencies, the value of time to create an estate; also the duty of a man to those whom he made dependent on him, and the duty of the citizen to the community in protecting that portion of it which bears his name. Life insurance teaches preparation for possibilities. The insurer very often builds wiser than he knows. The far reaching effects of the payment of an insurance premium cannot be seen or calculated. It is not questioned that the results of some such payments have upheld the good names of men and families, have prevented serious crimes, saved the honor of sons and of daughters, provided education for children, comforted sorrowing hearts, brought down blessings upon the one who made the effort to meet these payments, and kept his memory alive in the hearts of those he loved. Little does the insurer know the possibilities for his good that hang upon each one of those premium deposits made to his own credit.—*Thornton Chase in the Union Mutual.*

The special committee on **New York water supply** has made an elaborate report to the mayor covering all the details of the proposed extensions of the city's water supply, which involve an expenditure of more than $100,000,000. Three distinct reports are made, the first covering the best means of securing an additional supply from the Catskill Mountain region, the second advising the suspending of work on the easterly half of the Jerome Park reservoir and the filtering of Croton water, and the third urging the immediate construction of additional reservoirs in the Croton watershed. The last recommendation is couched in strong terms, as providing the safest course of obtaining additional water in the shortest possible time. Two reservoirs are recommended, one to be begun immediately at Cross River in the watershed, and to cost about $1,500,000; the other, to be started at the same time near Croton Falls, but not to be completed until the fall of 1908, at a cost of $2,500,000. The report declares that this $4,000,000 expenditure should be provided for at once in order to guard the city against a water famine.

A peculiar loss occurred in the warehouse of the **Schwarzschild & Sulzberger packing house** in Chicago. In some way fire started in the sawdust used for packing in the outside walls, filling the building with smoke, and finally making a total loss of the fresh meat with which it was filled. The building had no wall or floor openings, the only access to the floors being through the fireproof vestibule, and the smoke was so dense that the firemen could not get inside of this. Great holes were knocked through the massive walls, but even in this way it was impossible to reach the seat of the fire, which smouldered for several days before it was finally extinguished. The loss is said to amount to several hundred thousand dollars, and is regarded as effectually disposing of the request of the packers for a reduction in rates at the yards on account of the favorable loss ratio of last year. If so heavy a loss can come merely from smoke, with all the fire risks besides, there is little prospect of a reduction now.

Trustees of the **Insurance Library Association of Boston** were re-elected at its annual meeting last Saturday as follows: George P. Field, president; E. C. Brush, treasurer and clerk; F. B. Carpenter, A. K. Simpson, H. L. Hiscock and George W. Hinckley. The vacancy caused by the death of George A. Furness was filled by the election of James Leighton. The library now comprises nearly 4,000 books and 6,000 pamphlets, and is well fixed financially. Visiting permits were abolished during the year. At a meeting of associate members of the association held Friday afternoon of last week ten names were submitted to President Field, from which he will select five to act in conjunction with the board of trustees as a committee on lectures. Dates for the lectures have not yet been fixed, but it is hoped to make a beginning during February.

The Supreme Court of South Dakota has sustained the contention of the fire insurance companies that the Insurance Commissioner has **no constitutional right to incorporate the valued policy law of the State in the standard policy.** A Chicago special to the *Journal of Commerce* says:

> Law Brothers of the Royal, chairmen of the committee in charge of that litigation, have received a full copy of the opinion of the court. In addition to upholding the injunction of the companies against the requirement to use the commissioner's amended form of policy it passes upon the status of outside fire insurance companies in the State. The commissioner had held that outside companies had no right to question restrictions that might be imposed by the State in which they sought to do business. The court holds that such companies, once entered in the State, have the right to attack any unconstitutional law subsequently passed by the Legislature which affects their business. This directly reverses the ruling of Judge Carland of the Federal Court in the recent anti-compact case decided by him against the companies.

The old **Williamsburgh City Fire** insurance company reports for 1904 a gain in assets of $146,018, in reinsurance reserve of $73,612, and in net surplus of $61,931. These figures bring the company's totals up to $2,619,932 of assets; reinsurance reserve, $941,544, and surplus, $1,292,448. The reserve for losses unpaid, taxes, commissions and all other liabilities is $135,939. On Friday of last week the company declared its ninety-seventh dividend of 15 per cent., payable on demand. The company's capital stock is $250,000, and the book value of its stock is $616.90. That veteran underwriter and genial gentleman, Mr. Marshall S. Driggs, the president of the company, and his staff are to be most heart-

ily congratulated upon such a showing in what has been a "lean year" for many fire insurance companies.

In the United States Circuit Court, New York, on Tuesday, Judge Hazel sustained the demurrer put in by the **Mutual Reserve Life** insurance company in the suit brought against it by the thirteen Tennessee policyholders who asked for a receiver on the ground of insolvency and mismanagement. Counsel for the company contended in its demurrer that the bill of complaint should have been filed, if by anyone, by the Attorney General of New York or a judgment creditor. Judge Hazel condemned the complaint as "verbose, tautological and illogical." Counsel for the Tennessee policyholders, Messrs. Russell & Winslow, said yesterday that the proceedings against the company were by no means ended. An appeal is in preparation. The Tennessee complainants are headed by ex-Chief Justice Thomas Polk, of the Supreme Court of that State.

The Little Rock *Gazette* represents Mr. G. L. Meyers, local insurance agent, as saying, in reference to the then impending passage of **the anti-insurance bill**:

> Those telegrams speak for themselves. None of the foreign companies, that is, those not strictly State companies, can do any business when the anti-trust bill becomes a law. There is nothing for them to do but retire from the field. Only one of our companies, which is a New Orleans company, will continue in the field, as that company does not belong to any underwriters' association. I do not know what course will be pursued in handling the insurance now in force, but I would not be surprised if all policies are canceled and the unearned premiums refunded.

The companies represented by G. L. Meyers & Co. are as follows: Teutonia, London and Lancashire, Williamsburgh City, Glen Falls, Caledonian, Southern Assurance of America, Federal, Germania Fire, and Hanover Fire.

The **prohibition of fireworks** in New York on and about the Fourth of July is urged by Chief Croker in a letter to Fire Commissioner Hayes. The chief says that during the week of July 4 last year in the boroughs of Manhattan and the Bronx there were 122 fires, 93 caused by fireworks. In Brooklyn and Queens there were 77 fires, 34 from fireworks, and in Richmond one of the 16 fires was from the same cause. Although the average loss was small, Croker wrote, the aggregate was large, and in addition the fire apparatus in responding to the calls left portions of the city unprotected. The loss of life and maiming of children, he said, should also be considered. In the week of July 4 last year 846 persons were taken to the various hospitals suffering from injuries from fireworks. Commissioner Hayes has referred the matter to the municipal explosive commission.

Attorney General Hamlin, of Illinois, who retired from office at the first of the year, did not complete his brief in the **Belleville anti-trust cases** begun by him several years ago until after his term had expired. He has been beaten twice in the lower courts, and the case is now set for argument in the Appellate Court in February. Mr. Hamlin, discussing his brief, says that there is a close legal question as to whether the combination of insurance companies for the making of rates is a violation of the law, but he regards it as the "worst form of monopoly" that ever existed in Illinois. The case is of importance, as it involves the power of a court of chancery to regulate combinations and manipulations of a character not covered by the anti-trust statutes.

The annual meeting of the stockholders of the **Casualty Company of America** was held on Tuesday of this week, and the old board of directors was re-elected. It was announced that President Andrew H. Freedman would continue to act in that capacity until March 6, when he will be elected chairman of the board, and his place as president will be filled by Robert B. Armstrong now Assistant Secretary of the Treasury of the United States, who has declined reappointment to that position. Mr. Freedman, who is also a director of the United States Fidelity and Guaranty Company, will leave that connection to devote himself to the work of the Casualty Company of America.

The directors of the **Eagle Fire** insurance company, at a **meeting** on Wednesday, elected Theodore H. Price president, M. E. Ingalls, Jr., vice president, William G. Whilden secretary and general manager, and S. F. Walstrum assistant secretary. The company has been admitted to Pennsylvania, and has appointed C. G. Landis, of Lancaster, State agent; John K. Sharkey, of Wilkesbarre, special agent, and Stone, Mathews & Co., Philadelphia, managers. By a peculiar coincidence, the latter firm are reappointed upon the anniversary of the withdrawal of the Eagle from Pennsylvania three years ago. The company has also been admitted to New Jersey and Maryland.

A **marine battalion of the fire department** was organized this week by Commissioner Hayes, to be known as the Nineteenth, and to consist of the seven fireboats in Manhattan and Brooklyn. The fireboats have heretofore been attached to various battalions. Chief John B. Kenlon, a former sea captain, who holds a pilot's license, will be the head of the new fleet. He will have headquarters on one of the boats and direct operations from the bridge. The commissioner has also ordered that the management of the fire alarm telegraph system be taken from the office of the chief of the department and made a separate bureau.

The insurance correspondent of the London *Times* says that there is a great deal of indignation on the part of the London underwriters who have issued **war risk indemnities** because British vessels bound for Vladivostok with cargoes likely to be considered contraband take the Tshushima Strait route instead of that by La Perouse Strait. The underwriters hold that the vessels should go by the safer route, which they declare to be quite practicable even at this season of the year. On forty or fifty steamers en route for Vladivostok and now approaching dangerous waters London underwriters are carrying not much short of £2,000,000 ($10,000,000) war risk insurance. It is feared that a good many of these steamers will be snapped up by the Japanese.

The annual report of the superintendent of the fire patrol covering **fires in sprinkler equipped places** in New York city during 1904, details forty-seven such alarms as to the location and construction of the buildings, name of occupants and business, location of fire and supposed cause of fire or alarm, the system used, the method of handling the fire, and the assistance required from the fire department, together with the damage to building and contents. In eighteen such fires the blaze was entirely controlled by the sprinklers, and in seventeen other cases was held in check until the arrival of the fire department.

The comparative statement of the **Security Mutual Life insurance company,** of Binghamton, N. Y., of which Chas. M. Turner is president, shows a gross income during 1904 of $2,316,824.47, and a gain in income in 1904 of $485,346.15, which is an income for each business day in 1904 of $7,596.15. The company wrote paid-for new business during 1904 of $12,993,232, and has invested assets of $3,069,340.43, which is

a gain in invested assets of $1,080,470.42. The total amount of insurance in force January 1, 1905, was $47,044,657. The company has paid policyholders and beneficiaries from date of organization to the present time, $2,981,140.58.

Replying to the complaint that the re-entry of the **South Eastern Tariff Association** to South Carolina has been followed by an increase in rates, President O. E. Johnson, of the State Association of Local Agents, says at the close of his statement:

I am reliably informed, too, that in nearly every one of the few places where increased ratings were necessarily made the experience of the insurance companies has been for a number of years past unprofitable. In the face of all this I hardly think that the South Eastern Tariff Association can justly be charged with dealing unfairly, as there can be no question of the fact that a large majority of our people have been benefited by their re-entry into our State.

Regarding the **burning of the Springfield City Hall,** the Boston *Record* comments as follows:

Deputy Chief Dyson, of the State police, illustrates how lax even a place which has gained high repute as a "city of homes" may be in obeying law particularly designed to guard the home. Deputy Dyson, who has charge of hall and theatre licenses, declares positively that the Springfield authorities had no hall license for the city hall, nor had they applied for one. He declares that had the fire occurred a few hours later, when 3,000 children were to have gathered in the hall, there would have been the most horrible holocaust in history. The fact that the hall has burned down stops proceedings. But it also ought to serve to save the law when it is attacked by amusement managers who do not like to pay a high price for safety.

Come all ye worthy word slingers and help us frame an epithet of grace! We called the Prudential girl "pulchritudinous" and but one reader balked, though Philadelphia has not yet been heard from. But who can rightly paint in phrase **"The Lady of the United States Casualty,"** whom, by favor of Manager Lott, we have had the joy to meet. She is—ah, well!—to humble minds the afflatus oft is given. Our office boy, a connoisseur on calendars, says: "Gee! she can cash my accident policy!" But we fear there lies within those eyes a tender danger against which no insurance can be written.

The **Cook County suburban agents** have decided to hold their first annual banquet February 7, its purpose being to bring closer the forces which they have arrayed in opposition to the Chicago Underwriters' Association. They claim to be strong enough now to secure their alleged rights, and hold that they must have representation of some form in the Underwriters' Association, and that they ought to be given greater privileges in the way of writing downtown. They declare that they have the support of a large number of the Western managers.

A **receiver for the Illinois Central Fire,** of Chicago, was appointed on Thursday by Judge Dunne, in the person of P. J. Maguire, an insurance attorney, on the application of the Illinois Insurance Department. The Insurance Department has for some time been seeking to have the charter of this company annulled on the ground that it was running on the old special charter of the Columbia Fire, outlawed by non-usage. The Illinois Central was organized two years ago by Stanley J. Cotterman. Its assets are of a doubtful nature and Cotterman is said to have disappeared.

The **plate glass situation** in this city was again considered by representatives of the companies interested this week, and efforts were directed to the formation of a bureau to regulate commissions to brokers, which it was proposed to limit to 33⅓ per cent. and 40 per cent. to branch managers. Ways and means of forming a governing body to direct such an agreement were discussed at length, but without definite action. The articles of agreement which were drawn up last December for a still further regulation of the business seem to have been abandoned.

The **Hamburg-Bremen Fire** insurance company announces that A. F. Richards, who has been with the local department since May, 1873, has been appointed secretary of that department. C. E. Mitchell, who began in the insurance business in the office of the American Fire of this city and who has been with the Hamburg-Bremen since December, 1898, as special agent at Buffalo and later superintendent of agents at the New York office, has been appointed secretary of the agency department at New York. Both have the highest personal and business qualifications for their new posts of duty.

The **Prudential insurance company** announces that Mr. Wilbur S. Johnson has been promoted from comptroller to fourth vice president and comptroller. Mr. Henry Overgne has been promoted from supervisor to assistant secretary; George W. Munsick from supervisor to assistant secretary, and George W. Gore promoted from division manager to supervisor. These changes are all in the natural course of evolution, and in view of the powerful and rapid increase in the business of the great institution.

The **Life Underwriters' Association of Nebraska** held its annual meeting at Omaha last week and elected the following officers: John Dale, Ætna Life, president; H. R. Gould, Prudential, first vice president; H. H. Loughridge, Equitable, second vice president; C. W. Rainey, Mutual Benefit, treasurer, and Joseph B. Clarke, Germania, secretary. The new executive committee is composed of Charles E. Ady, National Life; Henry D. Neeley, Equitable; John Steel, Northwestern, and W. L. Killey, Metropolitan.

A meeting of the **Southern field men of the Royal** has been called by Manager Milton M. Dargan, to be held at Atlanta, January 24, for a general conference and campaign planning for the new year. The following will be present: George B. Jennings, special for South Carolina, Georgia and Florida; Hinton J. Hopkins, Alabama, Mississippi and Western Tennessee; W. P. Fishback, Kentucky and Eastern Tennessee; James B. Ross, Louisiana; James S. Hereford, Texas, Oklahoma and Indian Territory.

Regarding the **election of President Bulkeley,** of the Ætna Life, to the United States Senate from Connecticut, the Hartford *Times* says:

The Legislature of Connecticut has today elected to the United States Senate the president of a great life insurance company, one of the leading American corporations in its line of business. The development of that company's operations has been the principal life work of the Hon. Morgan G. Bulkeley, and while he may be proud of the honor which his State has done him today, it is safe to say that he will continue to regard his work in the presidency of the Ætna Life insurance company as the principal achievement of his career.

An order entered in the District Court of Travers County, Tex., last week **dismissed suits against fifty-eight companies** for alleged infractions of the anti-compact law that of State, and brought to an end a memorable anti-compact prosecution. These actions were brought under Attorney General Bell, who has recently been succeeded by Attorney General Davidson. The cases had never come to trial, and one of

the last acts of the retiring Attorney General was to arrange for their dismissal.

Upon taking the chair for his second term last Saturday, President Palmer, of **the New England Insurance Exchange,** said in part:

There is a subject upon which I feel deeply and upon which I cannot refrain from expressing my gratification, and that is, the strong spirit of loyalty to the Exchange and the good fellowship among its members; the freedom from feuds and bickerings; the kindly assistance of one for another; the cordial exchange of information. There can be no doubt these important facts have been strong factors in building up the Exchange and causing it to be influential and respected.

The tenth anniversary number of **The American Underwriter** is printed upon genuine Japanese vellum and bound in rare imperial vellum, which is produced only at the imperial mills run by the Japanese Government. This is truly an *édition de luxe* of our worthy contemporary, and an example in printing and typography which we may admire but can never hope to imitate. Only the wealthy do this. Congratulations!

Notice has been sent to all the agents of the **Atlas Assurance** Company **in Tennessee** to cease writing business in the State and to consider their agencies for the company at an end. This was done because of the continued heavy loss ratio in the State and the absence of any hope for improved conditions in the future, as the laws and courts are so adverse that little improvement is hoped for. The State Fire of Liverpool and Wisconsin Life insurance companies have also withdrawn.

It was **a hot day for churches** in Massachusetts last Sunday. The old Unitarian church at Barnstable burned down shortly after the morning service; loss $10,000, insurance $2,500. "The town is without fire apparatus, so the townspeople were forced to stand by and watch the building burn," said a press despatch. At Lynn the Second Baptist Church burned down the same day, with a loss of $75,000. Nine firemen were hurt by the falling of the roof.

Corrosion by salt water of a 5 foot gas main under the land end of the Anchor Line pier at the foot of West Twenty-fourth street caused a stubborn blaze one day this week The pipe split for 5 feet, the crack being a quarter of an inch wide. The gas flowed for several days up into the pier offices, but the break was not discovered until the gas reached an open light, when an explosion followed that set fire to the wall. The loss was slight.

A circular letter to his agents and friends has been written by former **Manager Dickson, of the Royal Exchange,** in which he states that he hopes the termination of these relations will not interfere with the business and personal intercourse he has heretofore enjoyed with them. The *Insurance Field* learns that there is a rumor of a possibility that Mr. Dickson will start a company of his own with headquarters in New York.

At a banquet of fraternal associations last week in St. Louis a committee of five was appointed to visit New Mexico at an early date to select a site for the **National Fraternal Sanitarium for Consumptives.** The Temple of Fraternity, now standing on the World's Fair grounds, will be taken down and shipped to the site to make the sanitarium. The association will assess members of the fraternal associations one cent a month to raise funds to carry out the plan.

It is announced that Mr. James C. Matchitt, of the Minneapolis *Journal,* who has been acting as an insurance correspondent for various dailies, will start a **new monthly insurance magazine** soon, to be published in that city. Now watch for jabs by the jealous ones! The permanence of his venture will, of course, depend only upon the inherent worth of the new publications. A new insurance monthly in Montreal is also announced.

A **verbal agreement is sufficient,** according to a decision in the case of the Banner Brewery against the Continental insurance company at Cincinnati last week. Judge Pfleger held that the company must pay $700 damages following a fire in the brewery. The policy was not issued at the time the fire occurred, but the owner claimed that he had a verbal agreement with the insurance company.

The **Citizens Life insurance company,** of Louisville, Ky., at its regular annual meeting last week elected W. H. Gregory president, to succeed C. B. Norton, whose other interests have forced him to resign the executive control. He will remain vice president of the company. It was decided to increase the capital stock from $100,000 to $500,000, and to enter the States of Georgia and Arkansas for business.

The **Olympic Fire and Marine** has been organized at Fort Smith, Ark., with a capital of $500,000, $50,000 paid in. The officers are James B. More, president; F. S. Stevenson, vice president, and L. W. Lowrey, secretary. Mr. More is connected with the Ozark insurance company, of Fort Smith, and it is probable that the business of the Ozark will be merged with that of the Olympic.

Standing committees of the **National Association of Life Underwriters** were announced last week by the chairman of the executive committee. The chairman of the several committees are: Dolph on speakers, Sutton on finance, Bonshall on membership, Iredell on statistics, Woodman on topics, Ady on prize essays, Fuller on credentials, Fitzpatrick on transportation, and Cantine on the press.

Articles of incorporation of the **Lincoln Life insurance company** were filed at Newark, N. J., last week. The company is to have an authorized capital stock of $100,000 at $100 a share. The incorporators are Adolph Evers, Jr., and Anthony Stenger, of Bethlehem, Pa.; F. M. Kolb, of Allentown, Pa.; Daniel Kehoe and F. O. Spurdle, of Jersey City, and others.

A bad fire occurred on Monday morning on the top floor of the **county building in Chicago,** nearly killing several men and rendering the building uninhabitable for some time. As the building is supposed to be fireproof, the amount of damage done is regarded as significant. No insurance was carried, although the county insures the hospital and poor house.

Our Indiana contemporary, *Rough Notes,* has arranged with **Mr. Guilford A. Deitch,** of the Indianapolis bar, author of "Insurance Digest," etc., and one of the best known insurance lawyers in the country, to deliver a series of seven lectures on the policy contract before the Fire Insurance Club of Chicago. These lectures will be published in *Rough Notes.*

The **Winona Railway and Light Company,** at Winona, Minn., has placed indorsements on its policies, cancelling the

items of the general form covering on the power house and contents, leaving in force only the items covering on the car house and repair shop and contents. Companies are objecting to this exclusion of the more desirable items.

The National Fire insurance company of Hartford has obtained **control of the Franklin insurance company,** of Wheeling, W. Va., and will continue the Franklin for West Virginia business and develop its plant. Outside business and reinsurance contracts will be dropped. The Franklin was established in 1862 and has a good local business.

The annual statement of the **Standard Life and Accident** insurance company, of Detroit, Mich., represented in New York by Manager C. A. Timewell, shows cash capital of $250,000; gross assets, $2,102,467; liabilities, including all reserves, $1,351,293, and surplus to policyholders, $751,174.

The *American Exchange and Review* has a **newly reconstructed home** at the corner of Fourth and Locust streets, Philadelphia, which is described in its January issue. Our erudite and highly esteemed contemporary will please accept our felicitations upon this evidence of its prosperity.

The Richmond Beneficial, American Beneficial, Southern Aid, and Mutual Aid, **negro insurance companies** of Virginia, have purchased the stock of all other similar concerns in that State and have styled themselves the "Big Four," so as to enable them to put up the deposit required by law.

The **St. Louis loss ratio for 1904** is estimated at below 35 per cent., much of the good showing being due to the large premiums secured on World's Fair insurance, with slight losses. The Markham agency, with premium receipts of $403,707, shows a loss ratio of only 19 per cent.

An **explosion of dry starch dust** in the factory of the Oswego Starch Company, at Oswego, N. Y., this week, caused a loss of $750,000 and threw 400 people out of work. The plant burned before, less than a year ago, and had been in operation only two months since rebuilding.

The city of **Knoxville, Tenn., has bought new property** for a fire engine house, and has spent $85,000 for equipment and more men in a praiseworthy attempt to bring the fire department up to a state of efficiency, so as to have the pink slip removed which was lately imposed there.

The **Metropolitan Street Railway Company of Kansas City,** Mo., which paid out last year over $40,000 in fire insurance premiums on property, will shortly install automatic sprinklers in all its car barns, and it is expected that a reduction of 50 per cent. in insurance rates will follow.

A petition has been filed with the court by Receiver Franklin T. Hammond of the **Atlas Mutual insurance company, of Boston,** for permission to declare a 50 per cent. dividend to loss creditors in cases where the loss is in excess of the assessment to be levied.

The fine **poem by Mr. Francis C. Moore,** former president of the Continental, which we reproduce by permission of *The Independent,* in which it appeared this week, will reveal this accomplished and versatile underwriter in a new light to many of our readers.

The British Fire Prevention Association has written to Prof. I. H. Woolson, of **Columbia University,** to ask permission to reprint among its publications the results of the **fire tests** made at the university testing station, which will probably be done.

The decision of the **Wisconsin** Supreme Court in the case of the Insurance Commissioner and **the Equitable Life Assurance Society** has been expected for the past two weeks, but as yet it has not been handed down by the court.

The **National Casualty Company,** of Detroit, Mich., has been authorized by the New York Insurance Department to transact business of health and accident insurance in this State, with a paid up capital stock of $100,000.

A **Wall Street rumor** this week was to the effect that the Equitable and Mercantile Trust companies, controlled by interests in the Equitable Life Assurance Society, will be merged at some future time.

The New York Board of Fire Underwriters has instructed its committee on laws and legislation to make efforts to secure the repeal of the **Grady reinsurance law** by the present New York Legislature.

Among the **expense items** in the annual report of the Mutual Fire of Montgomery County, Md., is "directors' lunches and horse feed, $78." Wonder if the Mutual animals fed out of the same trough!

The **American Surety Company** of New York, in addition to its clear surplus of $1,000,000, shows in its statement undivided profits of $1,133,234, which makes the company's gross surplus $2,133,234.19.

The Michigan Commercial has **entered Louisiana** and appointed Godchaulx, Shelby & Mioton agents at New Orleans. The North River Fire will soon enter the State under the same auspices.

The **Empire Casualty Company,** incorporated at Parkersburg, W. Va., will have a capital stock of $150,000, and will transact a general casualty, accident and industrial business.

The St. Louis *Insurance Leader* learns that **Jesse L. Rogers,** the notorious wildcat operator, is located in that city now, and has his letters forwarded to him there.

The $3,000,000 line of the **Connecticut Railway and Lighting Company** has been captured by John C. Paige & Co., of Boston.

It is proposed at **Savannah, Ga.,** to organize a **mutual fire** insurance company with a guarantee fund of $50,000.

The **Humboldt Fire,** of Allegheny, Pa., has been admitted to business in the State of New York.

Personal.

AGENCY APPOINTMENTS.

Ætna Life: Burrows, Marsh & McLean, of Chicago, State agents in the liability department for Illinois.

Agricultural: Fred W. Williams, State agent for Michigan, with headquarters at Detroit.

Connecticut Mutual Life: Alan Murray, general agent for San Francisco, Cal.

Eagle Fire: Clinton G. Landis, State agent, Lancaster, Pa.; Stone, Mathews

& Co., managers, Philadelphia, Pa.; Truscott & Sharp, Camden, N. J.; Baldwin & Frick, Baltimore, Md.; Flindell, Seeley & Co., Jersey City.

German of Freeport: Logue Brothers & Co., general agents for Pennsylvania and West Virginia at Pittsburgh.

Hanover Fire: C. S. Whittlesey, special agent for the Dakotas.

London Assurance: Clarence K. Underhill, special agent for Pennsylvania, New Jersey, Delaware, Maryland and the District of Columbia, with headquarters at Philadelphia.

London and Lancashire: Benjamin Weed, assistant special agent to J. F. Stafford in the Northwest.

Michigan Commercial: Albert R. Davis, Cleveland, Ohio; Fox & Rowley, Toledo, Ohio; Goodrich Brothers, Detroit.

Nebraska Underwriters: James S. McCracken, special agent at home office.

Providence-Washington: Prof. J. K. Willis, special agent for Iowa and Missouri at St. Louis.

Dr. Joanis O. Harris, insurance agent and author, died at Ottawa, Ill., on January 10, aged eighty-three years. Dr. Harris was the oldest active fire insurance agent in Illinois. He was born at Liverpool, N. Y., and entered the insurance business in 1870. He was widely known as a humorist under the non de plume of "Col. Johnson of Johnson's Corners," and his effusions were celebrated in the Chicago *Insurance Post.*

Mr. W. T. Purcell, who has been manager of the general agency of the Mutual Life of New York in the Adams Express building in Chicago, has been transferred to the department of Chicago, where he will cooperate with an organized force in developing agents. Dr. H. C. Castor, who has been located in the Tacoma Building, succeeds him in charge of the Adams Express office.

Mr. P. J. Hanway, of the *Vigilant,* delighted the eyes of his downtown friends this week by his presence after twelve weeks' confinement from pneumonia and its aftermath. Happily he bears but slight traces of his illness and now with restored vigor he will go on his old way conquering. Long may our popular brother wave.

Mr. R. H. Hamilton, formerly loan agent of the Massachusetts Mutual Life insurance company at Kansas City, Mo., and recently with the National Life in a similar capacity, died at his home in Kansas City of pneumonia on January 8. He was fifty years old.

Mr. E. B. Hopwood, general adjuster of the Commercial Union, is by the consent of Manager A. H. Wray, of that company, assisting Manager Hiles, of the Royal Exchange, in reorganizing the metropolitan department of the latter company.

Mr. Hamson Clarkson's death was announced last week. But Mr. Clarkson is not dead and the report arose from the death of his wife at Topeka, January 8, and a mistake in telegraphing the news to the Western papers.

Mr. Frank W. Danner, former State agent of the Equitable Life at Richmond, Va., died there of paralysis on January 7, aged thirty-five years. The Richmond Life Underwriters' Association adopted suitable resolutions.

Mrs. Nina Robinson has been appointed actuary in the office of the Colorado Insurance Department. Mrs. Robinson has had experience in the insurance business, having been with an insurance firm in Pueblo for ten years.

Mr. Benjamin F. Lewis, formerly fire marshal of Brooklyn, an adjuster of fire losses and at one time an insurance agent at No. 16 Court street, died Thursday morning in Brooklyn.

Insurance Commissioner T. D. O'Brien, of Minnesota, has appointed Mr. E. A. Waters, formerly with the legal department of the Chicago and Great Western, his Deputy Commissioner.

Dr. S. B. Wolfe, inspector of agencies of the Washington Life insurance company during the past eight years, has resigned that office and closed his connection with the company.

Mr. Charles S. Whittlesey, formerly local agent at Grand Rapids, Mich., has been appointed a special agent of the Hanover for North and South Dakotas, with headquarters at Fargo.

Mr. John W. Fitzgerald, special agent of the Providence-Washington in Michigan and Indiana, has been appointed Indiana special agent of the Queen.

Mr. Walter Tips has been elected first vice president of the Austin Fire insurance company of Texas, succeeding Mr. J. M. Cotton, who retires.

Mr. John D. Davis, of St. Louis, Mo., has been elected a vice president of the Columbian National Life of Boston.

Mr. A. A. Clark has been appointed secretary of the Fidelity Fire of Des Moines, vice A. L. Fullis, retired.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

LITTLE ROCK, Ark., January 13.—The King anti-trust bill was passed in the Senate today by a vote of 25 to 2. The same bill was introduced in the House, read twice and made a special order for Tuesday morning at 10 o'clock.

Senate Bill No. 15, introduced by Mr. Cotham, is for the regulation of fire, health and life insurance companies. It provides that in the event of failure to pay claims on policies within a certain time the entire amount of the policy may be collected, together with 12 per cent. additional as damages, the cost of collecting the same to be taxed upon the company concerned. This bill was read twice and referred to the Insurance Committee.

LITTLE ROCK, Ark., January 17.—Mr. J. C. Pinnix has introduced Senate Bill No. 7, to permit the organization of mutual fire, lightning and windstorm insurance companies and to regulate their operations. This bill was passed two years ago, but failed to become a law through the omnibus veto of the Governor. Much insurance legislation is expected at this session. It is the intention of the Senate to create a Committee on Insurance, heretofore such matters in that body having been referred to the Judiciary Committee.

In the course of the debate in the House on the anti-trust bill Mr. Pindall, who opposed the bill, said that the question of justice and right was eliminated because there was no longer a sovereign Legislature, but a Legislature governed by a bunch of politicians known as the last Democratic State Convention. The only thing to be done was to bow heads and obey, as a vote for a single amendment or an action tending to retard the passage of the measure meant that the perpetrator's name was Dennis. He added sarcastically: "Line up fellows, and take your medicine like little men, but the broadminded people of the State will understand."

LITTLE ROCK, Ark., January 17.—At the request of the Senate the King anti-trust bill was returned. Senator Logan introduced a substitute, No. 52, which was read twice. A special committee was appointed to compare this substitute with the original King bill.

LITTLE ROCK, January 18.—Senate Bill 52, by Mr. Logan, the anti-trust bill substitute for the King bill, today passed the Senate by a vote of 26 to 4, and was read twice in the House. All amendments to the bill were rejected by the latter body, and it was made a special order for Thursday morning.

House Bill No. 49, by Mr. Raney, provides for the regulation of insurance companies, and differs from the present law by requiring that 50 per cent. of premiums be set aside to pay losses, and that an indemnity bond be furnished as a guarantee. It also provides for an examination of the affairs of each company by the State Auditor every six months, the company so examined to pay all expenses of such examination. Read first time.

LITTLE ROCK, Ark., January 19.—The anti-trust bill was passed by the House today by a vote of 72 ayes to 20 nays.

Connecticut.

Senator McGovern has introduced a resolution that the board of directors of the Connecticut Mutual Life insurance company consist of twelve members. At the next annual meeting three will be elected for one year, three for two years, three for three years and three for four years, and annually thereafter three only shall be elected to serve four years.

The House Committee on Insurance is composed of Charles R. Marvin, of Saybrook, chairman; Daniel M. Cronin, of New London; Charles A. Griswold, of West Hartford; Joseph G. Hyatt, of Westport; George Hatch, of Windham; Samuel D. Loper, of Sharon; Lewis M. Phelps, of Wallingford; Freeman F. Patten, of Stafford, and E. Samuel Gillette, of Burlington. Of the nine members Chairman Marvin is the only one who has had any practical insurance experience. The Senate members of the

ACCIDENT AND HEALTH INSURANCE.

By Sidney N. Moon, Superintendent of the Statistical Department of the Casualty Company of America.

While it is true to a certain extent that the average public do not come into contact with insurance papers, yet there is no doubt that by means of the press a large amount of educational work is done among the brokers, who in turn convey their knowledge to the insuring public. Much attention has been given by the various companies of late to the subject of accident insurance, and the growth has been both healthy and vigorous, as the result of the concentrated ability of the managers of the large stock companies supported by large capital and sufficient surplus. A meeting is held once a year at which delegates from nearly all the accident companies are present, and as the result of an exchange of experience many improvements are effected and abuses corrected. The day of assessment insurance against accident is past, and the vitality of the stock companies at the present day is due to the companies being under strong management. The failure of a company, however weak, admittedly injures the whole business in which it is engaged.

But how have the public been treated by the companies? A short summary of the situation will show that policy conditions have been simplified, the language of the contracts made clear, while important benefits have been added by every company.

Among the features that have been added by one or more companies in the direction of making the contract more liberal may be cited:

(a) Payment during enforced quarantine by infectious diseases.

(b) Payment of the principal sum, and of other benefits in the event of the beneficiary meeting with accident while on a common carrier.

(c) A world wide policy.

There is no doubt that the extension of an accident policy issued to cover, under certain conditions, an accident happening to the beneficiary is viewed with more or less disfavor in some directions. At best it has not any proper place in the original contract. It seeks to pay, without the knowledge or consent of the beneficiary, a sum of money to John Doe in the event of his beneficiary meeting with a specified form of accident. Is it right that insurance be placed on any person without his or her knowledge and consent, or that John Doe should profit by the death of his beneficiary, in which he may have no financial interest?

The companies that have adopted this addition to the original contract will doubtless watch the result with care, for it cannot be denied that the scope of the policy is considerably broadened by the change and already several death claims have been paid.

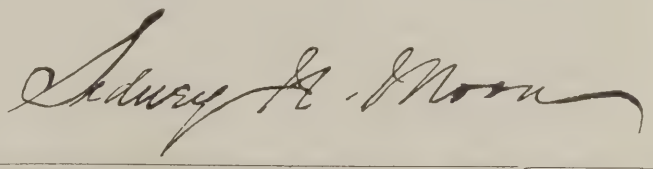
While no one company gives all the benefits of the others, yet each one endeavors to retain some benefit distinctively its own. If it be asked how these additional benefits can be given "without money or without price," it is answered that the companies themselves, by a common bond for self-preservation, are now in a position to protect themselves against fraud, which has been an expensive enemy in the past, and have devoted the saving thus made to the public, who have been quick to appreciate the improvement. In proof of this fact, the accident premiums alone in the past two years have increased $2,000,000, at the rate of a million dollars a year, or more than 20 per cent. At this rate the business would be doubled in a decade.

If we turn our attention to health insurance, which was first written in the United States about fifteen years before accident insurance, we have a business, now on a second trial, which is rapidly advancing in public demand. There is a difference of opinion as to the proper scope and method of writing health policies, some insisting that a restricted policy covering only a number of diseases is a snare, while others are advocates of a policy covering all illnesses at an increasing premium for age, but non-cancellable as a life policy. In the meantime, the companies have been gaining experience and the business has grown to very respectable proportions.

It is appropriate to mention here the growth of the industrial form of health and accident insurance. The initial principle was an entrance fee of $5 and a payment of $1 per month, but even if the whole fee be collected the benefits offered are higher than the premiums appear to justify. Many companies are actively competing for this class of business, but if the claims arising are honestly paid it is safe to say that before long the experience will compel a readjustment of the premium or the benefits offered.

From an agency standpoint the business of accident and health insurance is very satisfactory. The policies renew well and competition, which exists everywhere, only acts as a spur and as an advertisement for the business.

Where else can there be found any line of insurance where all parties are to be congratulated—the public, the companies and the agents?



committee are Senator McGovern, of Hartford, chairman, and Reuben S. Bartlett, of Norwich, both insurance men.

Idaho.

The following is the House Committee on Insurance and Banking: Messrs. Aulbach, of Shoshone, chairman; Ainey, of Canyon; Gray, of Bear Lake; Spaulding, of Kootenai; Johnson, of Ada.

Indiana.

INDIANAPOLIS, Ind., January 13.—Senator Wood, of Tippecanoe, today introduced Senate Bill No. 74, to amend the law regulating foreign insurance companies. This law was last amended in 1899. The new amendment is to allow companies to invest in stocks or bonds "of some one or more of the counties, cities or towns of this State, or some other State" at current market value at date of statement filed with the

State Auditor. This amendment is indorsed by the Indiana Insurance Department.

INDIANAPOLIS, Ind., January 14.—Ananias Baker, representative, has introduced in the House Bill 41, which would interest insurance companies that lend money in Indiana on land, taking mortgages. The bill provides that the man in whom is the title shall have a deduction to the full amount of his mortgage. Now, in order to prevent the tax duplicate from suffering, the bill provides that the man who has the title shall pay all the taxes, and take a receipt showing the amount paid on the mortgage, and the amount remaining paid on the real estate. And the amount paid on the mortgage shall be accepted and received as a receipt for interest on the mortgage when interest is next due. The county auditor is required to enter in his books the amount of the mortgage as shown by the landowner's affidavit, and taxes shall be computed on the real estate for the excess of the appraisement over the amount of the mortgage.

The bill was referred to the committee on ways and means. The author is of the crank order, but many persons are saying there is justice in his bill. A bill of this character was defeated in the last general assembly.

The codification committee has rendered its report on private corporations, including those of insurance.

INDIANAPOLIS, Ind., January 17.—Senator Koehne has introduced Senate Bill No. 84, providing $500 fine for any life insurance company or agent of any life insurance company which gives rebate of premium or "any special favor or advantage in the dividends or other benefits to accrue thereon." The bill is to prevent any agreement not plainly expressed in the policy and any distinction "between insurants of the same class."

Illinois.

SPRINGFIELD, Ill., January 19.—Representative Pogue today introduced a bill requiring all foreign and domestic life insurance companies to file annually with the Insurance Superintendent the figures of their gain and loss accounts.

Kansas.

TOPEKA, Kan., January 18.—House Bill No. 24, introduced by Mr. Husey, is to prohibit life insurance agents from giving applicants the benefit of a part of the commission as an inducement to take out policies.

House Bill No. 25, by Mr. Husey, is to create the office of State fire marshal.

House Bill No. 79, by Mr. Pringle, is to make the application for a life insurance policy prima facie evidence of the truthfulness of the facts stated therein.

House Bill No. 294, by Mr. Husey, is to fix a penalty of from $10 to $500 fine or imprisonment for not longer than six months in the case of any insurance agent who solicits or accepts business from unauthorized insurance companies. The Insurance Department may also collect $500 from an agent for each such offense by civil action.

Maine.

AUGUSTA, Me., January 12.—Senator Clark, of Hancock, has reintroduced the bill of last session entitled, "An act to establish a law uniform with other States relative to insurance," which abolishes the arbitration clause in the standard policy.

Tuesday, January 31, has been assigned by the committee on mercantile affairs and insurance to a hearing on the bill to repeal the arbitration clause in the fire insurance policy. The bill, however, applies to all classes of companies and the fraternal orders. The committee consists of Senators Stetson, of Bangor; Plummer, of Lisbon; Shaw, of Bath, and Representatives Briggs, of Auburn; Reed, of Portland; Hussey, of Vassalboro; Weatherbee, of Lincoln; Morey, of Lewiston; Page, of Appleton, and Milliken, of Island Falls.

Massachusetts.

BOSTON, January 18.—Mr. Wheeler has introduced House Bill No. 177, to authorize cities and towns to maintain municipal building insurance funds.

Mr. Swig has introduced House Bill No. 175, providing that any person, firm or corporation who procures insurance on real or personal property belonging to him or it for more than the assessed value of such property shall be punished by a fine not exceeding $1,000, and the insurance policy so procured shall be void. Any insurance company which knowingly insures real or personal property for an amount greater than the assessed valuation thereof shall be punished by a fine not exceeding $10,000, to be recovered in an action of tort brought in the name of the Commonwealth in the County of Suffolk.

BOSTON, January 18.—In the House this afternoon Mr. Creed, of Boston, introduced a bill providing that the holder of any paid up life insurance policy may recover its cash surrender value not only upon any anniversary of its issue, but also "during the legal business hours on any legal business day thereafter."

Mr. White, of Medford, presented a bill providing that a city or town which has a fire department or a fire district shall keep in good condition, ready for immediate use, not less than six rubber blankets to each hose wagon, ladder truck, or combination, which shall be not less than 12 feet square, and shall be taken to every fire in any building in the city or town for the purpose of protecting property from injury by water or smoke. The proposed penalty is from $50 to $500 for each offense.

Montana.

The following is the House Committee on Insurance: Messrs. Vandyck, Cone, Bennett, Murray, Murphy, Blankenship, Coleman.

New Hampshire.

CONCORD, N. H., January 18.—Representative C. J. Ayer, of Plymouth, introduced in the House of Representatives today an act to amend Section 3, Chapter 169, Public Statutes, by inserting the word "one" in place of the word "two," so that the section will read as follows: "No such mutual company shall be licensed to do business in the State unless it shall possess $100,000 of cash assets invested as provided in the preceding section," etc. Referred to Committee on Insurance.

Representative John W. Jewell, of Dover, introduced in the House of Representatives today "An act relating to appointment of life insurance agents. Section 1. No person shall be allowed to do life insurance business in this State, unless they have a contract directly with the company they represent or some general agent or manager of the company who resides in this State; and any company, general agent or manager of any company who shall make a contract with any person to do life insurance business, knowing that such person is to continue in other business pursuits except life insurance, and will devote the principal part of their time to other business pursuits, shall be fined not less than $200 nor more than $500." Referred to Committee on Insurance.

Mr. Chase's bill relating to outside insurance has been referred to the Committee on Insurance.

CONCORD, N. H., January 18.—Senator Entwistle, of Ports-

mouth, will introduce today an act providing that "no policy of life or endowment insurance issued upon the industrial plan shall become forfeit or void for non-payment of premium after premiums have been paid thereon for the term of two consecutive years. Every such policy shall have a surrender value after payment of premiums for two full years, said value to be estimated upon the basis of the actuary's table of mortality, under such rules as the Insurance Commissioner of the State shall prescribe." Cash surrender values shall exist on policies where weekly payment is 50 cents or less; a paid up policy may be issued for others.

Representative Chase, of Manchester, has introduced a bill adding these words "Nor to prevent any duly licensed or commissioned agent from brokering risks with another agent thus licensed or commissioned" to Section 15, Chapter 169, Public Statutes, which now reads: "Nothing in this chapter contained shall be so construed as to prevent any duly licensed or commissioned agent from procuring insurance upon property located in this State in companies not licensed to transact business in this State whenever the aggregate amount of insurance which companies legally doing business in this State will write upon the property is not sufficient to protect it."

Representative Jewell, of Dover, gave notice of a bill requiring that life insurance agents licensed in this State shall agree to devote at least half their time to that business.

CONCORD, N. H., January 18.—The bill of Senator Entwistle, in relation to non-forfeiture of life insurance policies, has been introduced in the Senate and referred to the Committee on Judiciary.

CONCORD, N. H., January 19.—Representative George D. Barrett, of Dover, introduced in the House of Representatives today a bill to amend Section 7, Chapter 189, Public Statutes, so that agents of steam boiler insurance companies shall be residents of the State, as is now required of the agents of all other companies. Referred to the Committee on Insurance.

Representative Eben M. Willis, of Concord, introduced a bill to amend Sections 8, 9 and 11, Chapter 169, Public Statutes. Section 8 is stricken out. The substitute provides that duly licensed companies that have fully complied with the law of the State may appoint such agents as they deem advisable, and the Insurance Commissioner must license them. The company shall, in the appointment of any agent, have the right to designate by whom the policies shall be written, provided it be done by a duly licensed resident agent. The bill adds to Section 9, "that no company of good financial standing shall have its license revoked without a hearing before a judge of the Superior Court," and adds to Section 11 provisions allowing brokerage and exempting office clerks and bookkeepers from the license provision. The bill was referred to the Committee on Insurance.

New Mexico.

SANTA FE., N. M., January 17.—Governor Miguel A. Otero, in his message to the thirty-sixth Legislative Assembly, which convened yesterday, today made the following recommendation:

I would earnestly renew my recommendation made to the last three Legislatures for the creation of the office of insurance commissioner, which is more necessary now than heretofore, by reason of the increased business in the Auditor's office, arising from the growth of the Territory in population, business and wealth. Such an officer need be no expense to the Territory, the cost being paid by the different insurance companies doing business in the Territory. This work is no part of the Auditor's duties proper, and as he has a vast amount of responsibility and labor otherwise in connection with his office he need not, nor is he expected to, have any special knowledge of the insurance business.

Nearly every State and Territory has such a law and the same is of great benefit. All revenue derived above the expenses of the office should go to the support of the volunteer fire companies in the Territory.

A measure to put into effect the above recommendation will be introduced in the near future and will probably be passed.

New York.

ALBANY, N. Y., January 20.—Nothing along insurance lines has developed thus far in the Legislature. Because of lack of business neither the Senate nor the Assembly Insurance Committee has yet organized.

A bill has been introduced by Assemblyman Palmer, permitting the Schoharie and Schenectady Counties Farmers' Mutual Life Insurance Association to insure against loss or damage by fire or lightning, and against loss by death, caused by lightning, for any live stock insured anywhere on the premises, or on lands leased, rented or pastured by the insured.

North Carolina.

RALEIGH, N. C., January 14.—The Legislature has as yet had no insurance matter before it. The Senate and House committees on insurance are announced as follows: Senate—Eller, chairman; Grady, Empie, Mason, of Gaston; Toms, Webb and Odell. House committee—Hawkins, chairman; Joyner, Lockhart, Feinster, Freeman, Taylor, of Vance; Williams, Sentell, Robertson, Redwine, Stewart, Britt, Ridern, Murphy, of Buncomb; Biggs, Patterson, Crisp.

The Insurance Commissioner of North Carolina has made a series of recommendations to the Legislature concerning improvements in the insurance laws. He wants the law authorizing the chartering of insurance companies amended so as to guard against those organized for speculative purposes and advises the better regulation of fraternal orders. Concerning the insurance of the property of the State, he says:

Under the law it is made the duty of the Insurance Commissioner to agree with the board or officer having State property in charge as to the amount, and place the insurance necessary for the protection of all State property. It is also made the duty of the commissioner to, at least once a year, visit and inspect all State property and to call the attention of the board or officers having the same in charge to anything affecting its protection from fire. In the discharge of this duty the commissioner has not only inspected the property but placed such insurance thereon as the officers in charge of the same felt that they could pay for out of the appropriation allowed them by the State.

The records of the department show that since this matter was placed in the hands of the commissioner in March, 1903, there has been paid for insurance on the different State properties $16,269.15 for three year policies, and there has been adjusted and collected and paid to the State Treasurer (except $639.50 collected and used by institutions to replace property burned) the sum of $33,407.59 for the use of different institutions. This sum was for losses by fire.

The commissioner respectfully recommends to the Legislature that proper precaution be taken for the protection of the State property against loss by fire, and injury to the inmates of her institutions. This will in some cases necessitate the building of proper fire walls, sprinklering certain parts of the buildings and the providing of sufficient fire doors, shutters and escapes, and necessary apparatus for fighting fire.

It is also important that the Legislature should provide for carrying more insurance upon the State property and having it more evenly distributed. To this end it will probably be best that a law should be passed providing for the payment of insurance upon the State property directly from the State treasury, which can be taken into consideration in making out the appropriations for each institution. The commissioner will later present to the Legislature in detail a statement of what is needed in the way of fire protection and improvement by each of the State institutions.

No Adverse Legislation.—Under this head I do not know that I can better express my views than by quoting from my recommendations to the Legislature in 1903, as follows:

"The insurance business in the State, involving as it does the good and protection of the citizens of the State and their property, is in remarkably good condition and generally satisfactory

to the people and companies. Our home companies are being protected and fostered and show commendable increase and growth. Foreign companies are being treated with justice and fairness, while the fire rates prevailing here, though complained of by some of our people, are lower and fairer than those of any other Southern State. With these conditions, brought about by just laws and a strict supervision, and with a large increase of revenue from insurance companies each year, the commissioner feels that the wisdom of the present General Assembly will prompt them to follow the course of the last two general assemblies in improving our already fair and just insurance laws and in enacting no harsh or restrictive laws, calculated not to help but only to hurt the State, her citizens and the companies organized or operating here."

Oklahoma.

GUTHRIE, Okla., January 16.—Senate Bill No. 10, introduced today by Mr. Scott, provides that all fire insurance companies operating in cities of the first class in Oklahoma pay $2 tax on every $100 premium collected in such cities, for the benefit of the fire department, half of such tax to be expended for the equipment of departments and half for the maintenance of sick and injured firemen.

Oregon.

SALEM, Ore., January 16.—House Bill No. 98, introduced today by Mr. Caption, of Portland, prohibits boards or combinations between fire insurance companies for the making of rates; provides for admission to the State of any company having $200,000 capital and surplus, and repeals the present law requiring companies to deposit $50,000 in bonds as a preliminary to operating in the State.

SALEM, Ore., January 19.—A joint resolution has been introduced today in the House favoring the Capron bill, to prohibit insurance combinations.

SALEM, Ore., January 20.—The Smith bill to increase the insurance tax from 2 to 4 per cent. on gross premiums has been indefinitely postponed.

South Carolina.

The House Committee on Banking and Insurance is as follows: W. P. Pollock, chairman; Huger Sinkler, C. P. Sanders, D. A. Spivey, B. A. Morgan, G. K. Laney, J. C. Sellers and W. D. Kirby.

Tennessee.

NASHVILLE, Tenn., January 16.—Mr. Williams has introduced a resolution in the House, providing for the investigation of fire insurance in this State, authorizing the appointment of a joint committee, consisting of three members of the House and four members of the Senate, for the purpose of making an investigation as to existing rates and report as to whether they are excessive.

The resolution was referred to the Committee on Insurance.

Texas.

AUSTIN, Tex., January 13.—House bill introduced by Mr. Love raises the tax on gross premiums of fire insurance companies from ½ to 1½ per cent. Life and accident companies pay 2 per cent. and marine and surety companies 1 per cent.

AUSTIN, Tex., January 16.—Mr. Cobbs today introduced House Bill No. 29, "An act to establish a fire insurance commission for the State of Texas, whereby extortions in fire insurance rates may be prevented and reasonable fire insurance rates may be established; to prescribe and authorize the making of rules and regulations to govern such commission and fire insurance companies and to afford fire insurance companies and other parties adequate remedies; to prescribe penalties for this act and to provide and prescribe means and rules for its enforcement."

Mr. Hancock today introduced House Bill No. 65, "An act to authorize the incorporation of mutual assessment accident insurance companies, and to control and regulate the same."

Mr. Bowser today introduced House Bill No. 7, to prohibit discrimination by insurance companies and their agents between persons and property insured and the payment of anything of value for or rebating of premiums payable on policies issued, and to provide adequate penalties therefor. The bill makes such an offense a misdemeanor, punishable on conviction by a fine of not less than $50 nor more than $200 for each offense. If such violation is by the procurement, knowledge or consent of the president, or any vice president, secretary, director, manager, general or State agent of such company, the license or permit of such company to do business in the State may be revoked, in addition to the penalty stated above.

House Bill No. 12, by Bowser, relating to the taxing of insurance companies and other corporations, provides for forfeiture of charter of domestic corporations to do business in the State in case of failure to pay franchise tax.

House Bill No. 13, by Mr. Webb, provides for the organization of a State Department of Banking and Insurance, and the appointment by the Governor of a commissioner, at a salary of $3,000 a year. At present insurance is supervised by the Department of Agriculture, Insurance, Statistics and History.

AUSTIN, Tex., January 19.—House Bill No. 167 was introduced today by Mr. McKenzie and Mr. Douglass, to include accident, fire and marine insurance companies in the list of insurance companies which shall be liable to pay to the holders of a policy, in addition to the amount of the loss, 12 per cent. damages on the amount of each loss and reasonable attorneys' fees for the prosecution and collection of such loss in the event such companies shall fail to pay the loss after demand is made therefor.

Wisconsin.

Governor La Follette took up the question of the taxation of life insurance in his message, and said:

Chapter I of the Wisconsin laws of 1901 imposes a tax of 3 per cent. on the gross premiums of domestic life insurance companies collected in this State, and a license fee of $300 a year on foreign companies. The legal reserve companies doing business in this State paid taxes for the year ending June 30, 1904, in the sum of $330,464.41. All the life companies combined collected premiums in Wisconsin during the year 1903 in the sum of $8,170,900.01.

While it may be said that the amount of premium receipts is not the best standard from which to estimate the tax, it is a fairly safe standard. It may be that a better standard is the investment element of the policies, all of which have an equity in the assets of the company which issues them. This equity can readily be determined in different ways. It may be approximately determined by assigning to each State such percentage of assets as the amount of insurance in a State bears to the total amount of outstanding insurance in the company. By this method the aggregate cash value of the legal reserve or old line life policies held by residents of the State is found to be approximately $40,000,000, which is 25 per cent. more than the total capital stock, surplus and undivided profits of all the banks, both State and national, established in business in the State. Thirty-five per cent. of these policies is held in domestic and 65 per cent. in foreign life insurance companies. It is unjust and inequitable that the foreign insurance companies which receive 72 per cent. of the life insurance premiums paid in the State should pay less than 16 per cent. of all life insurance taxes. It is unjust and inequitable to require domestic companies having only 35 per cent. in value of all the outstanding policies in the State to pay over 84 per cent. of the life insurance taxes. Under the present law one domestic company paid as taxes in the year 1903 an amount equivalent to an ad valorem rate of 1.6 per cent. of the cash value

of its policies in the State. At the same time some of the outside companies were paying less than one-tenth of 1 per cent. of the cash value or equity of the policies held in this State. This inequality should be remedied by legislative enactment.

The argument has been made that foreign companies should not be taxed in Wisconsin at the same rate as domestic companies are taxed, because such a course would lead to ruinous discrimination against our domestic companies in other States. The State of Wisconsin ought, and can afford, to deal justly with persons and things within its own borders. The Legislature of this State should not be moved to the rejection of a just law when proposed by the consideration that an unjust law might be enacted in some other State in retaliation. Each life insurance company doing business in this State ought to bear its just and equal burden of taxation without reference to the fact that other States may, or may not, impose such burden fairly or justly.

It is not recommended that the tax upon life insurance companies be measured by premium receipts. It can readily be seen that a company with large assets may not collect premium receipts corresponding therewith in any given year; while, on the other hand, a company with small assets may collect large receipts in any given year.

The only tax that appeals to our sense of justice is a tax based upon the cash value of the policies—that is the equity of the policies in the assets of the company. This includes both reserve and surplus. It would be equivalent to taxing the policies on their investment value in the hands of the owner. But to make the administration of the tax economical and effective it should be levied upon the company. To avoid double taxation the value of real estate and United States bonds owned by the company should be deducted from the gross assets before making the levy, for real estate is usually taxed locally and United States bonds are exempt. All policyholders in the State would then be taxed on the same basis and there would be no incentive for the insuring public to patronize foreign companies in preference to home companies. The tax would be more uniform and more productive than at present. At the average tax rate in the State the tax on life insurance values would produce about $400,000 instead of $278,000, as under the present law.

If it be thought, for any good reason, that such a tax would be excessive, then it might be well to consider the method now in vogue in Massachusetts, where the cash value of the policies of all companies (domestic and foreign) doing business in that State is subject to an "excise tax" of one-fourth of 1 per cent. Such a tax would not be as productive as that mentioned above. But it would be levied on an equitable basis. Under such a law the policies issued for protection only—for the "protection of home, family, etc."—would be virtually exempt, and the policies in which the investment element is prominent would be taxed. Similar adjustments should be made in the laws with respect to other classes of insurance companies.

The Senate Committe on Insurance is as follows: Messrs. J. E. Roehr, chairman; Munson, Noble, Froemming, Stondall.

The following is the Assembly Insurance Committee: H. E. Tarrell, chairman; George E. Scott, F. J. Bohri, James Dinsdale, John A. Henry, J. S. Bletcher, Joseph Crowley.

Miscellany.

The Human Factor in the Fire Department.

The following are extracts from Mr. Frederick H. Cowles' address before the Insurance Society of New York, editorial comment upon which appears on the first page of this issue:

1. Let us consider the fireman. Not as we have pictured him in the past, but as he exists today. Not as a hero, storming smoke crowned heights in the red glare of destruction, but in the plain, cold, everyday life and the relation to the public welfare and the department of safety.

2. The rigid requirements of civil service examinations are intended to eliminate undesirable additions to the uniformed force and to strengthen the personnel of the department with fine specimens of sturdy manhood, and as such the applicants are enrolled.

3. In a fire department courage is desirable, and strength, activity and endurance absolutely essential to a force intended to save life and protect property. The former quality is seldom lacking. Death alone conquers courage, but the limitations of nature forbid perpetual labor and the fireman succumbs.

4. A fireman must be active to quickly respond to calls for aid, to scale a building or save a life. He must be strong to wield the truckman's axe or hook in searching out the hidden flame, or drag a line of hose from point to point. He must endure stifling, choking smoke, deadly gases or the heat of a blast furnace. Alternately baked or frozen, steamed or chilled, he accepts the punishment as part of a fireman's lot and endures with courageous fortitude.

5. It has generally been the policy of the city to strengthen its fire department, for the great moving spirit in its success has been system. Wherever seconds could be saved money has not been spared. Each year since the organization of the paid department in 1865 has marked some step in the progress toward its perfection.

6. The systematizing of its units have gone toward completing the chain. Each adoption forms a link. The fire alarm telegraph, automatic trip, hanging harness, drop collars, and rolling stock make for speed. Its fire boats, water towers, searchlight engine insure the rapid subjugation of a blaze, while the signals, automatic, thermostatic, and special building offer a double assurance of prompt assistance.

7. In all the units that go to make up a whole there exists system, but as a bridge is no stronger than its weakest part, then so does the life human factor in the fire department form the exception in its perfect construction. It has been indicated that the fireman's position demands the maximum amount of strength in the minimum amount of time. Is it not reasonable from an economic as well as a moral standpoint to carefully examine the conditions surrounding the life and service of the men?

8. The passing years have not failed to leave their mark in the depleted ranks of these brave men. Accustomed to face danger and death from without, the real grave danger to the department and its efficiency comes from within the engine house doors and emanates from an iniquitous system. When we speak of death we do not mean the death that comes swiftly and mercifully to men beneath falling walls, nor the death bravely met in the smoke and smother of a black subcellar, but the death which creeps upon a man attacking a constitution once strong and vigorous and shattered by vicious irregularities.

9. This is an unqualified statement. So in making an unqualified statement one must be prepared to substantiate the same. This I am prepared to do. So a knowledge of the fireman's hours of duty and its uncertainties must be forthcoming. Until quite recently the members of the department received one day off in ten only; of late the rule was amended to read one day in five. This may have been intended to meet the increasing demand for better conditions, but it did not strike the foundation of the trouble.

10. In allowing the men more time for recreation there has been overlooked the fact that under the rules as they exist today in the department there is little assurance of normal conditions or any mode of living which makes for good health.

11. A fireman's time is not to be measured by hours of labor. Those who have observed him during the summer months have wondered at his inactivity. The fire list is then at low ebb. For twenty-one hours of each twenty-four he is required to be on duty at the fire house. The balance of approximately four hours he may divide to suit his convenience. If living near the fire house he can have about one and a quarter hours for each of his three meals. If further removed, his time being consumed in going and coming makes him a two meal man, and if still further away he is able only to have one meal at home, the other two obtained as best he may, but not according to rules and regulations. In this there is an opportunity for much abuse. * *

HEAVY RATIO OF DISEASE IN THE FIRE DEPARTMENT.

It is hardly necessary to call your attention to the evil results of such conditions. Nevertheless it is preferable to submit detailed statistics of sickness and injury in the department, the number of days lost by each, and their respective percentage, as well as data giving the number of deaths in the department per 1,000, as compared with the mortality rate given by the United States Census Bureau. This data also included the four principal diseases in the fire department and the relative percentage of same as compared with the death rate from these causes throughout the country.

Although the death rate of 1890 and 1900 show pneumonia, consumption, heart failure and diseases of the kidneys to be the four principal causes, the fire department death rate in New York and Brooklyn is so far in excess as to show in some cases a percentage of over 100 over and above the rate of the official Government reports.

The death rate of the department as given according to its two latest reports (1901-1902) is approximately 21, against a Govern-

ment rate of 18.6 in 341 cities of 8,000 and upward population. This increase if applied pro rata to the United States would give each year additional deaths amounting to over 200,000 lives.

In giving these figures we have on one side a body of picked men as balanced against the tenement house mortality, infant mortality, suicides, accidents on railroads, drowning, etc. The figures given for the fire department relate to disease alone and do not include deaths in the discharge of duty.

The 2 per cent. of causes of death are as follows: In 1901 for 1,022 cases of illness there were deaths distributed, pneumonia 5, consumption 8, heart failure 9, kidney 4. The per cent. of causes comparatively with United States statistics are:

United States, consumption, 10.6 per cent.; Fire Department, 20 per cent.
United States, pneumonia, 10.2 per cent.; Fire Department, 12 per cent.
United States, heart failure, 7 per cent.; Fire Department, 22 per cent.
United States, kidney trouble, 3.9 per cent.; Fire Department, 10 per cent.

These distressing figures can readily be attributed to the irregular lives the men are forced to lead. It is not difficult to imagine the results on the strongest constitution worked at times to the limit of endurance, eating at irregular intervals, starting from a sound sleep from three to half a dozen times at night, sliding down poles half awake, resorting at times to stimulants to restore tired nature, confined for days at a time in a stable, debilitated and exhausted, the way is paved for the white plague.

In addition to the deaths themselves I offer a comparison between the rate of the Metropolitan Fire Brigade, of London, England, and our own force. The comparison in some respects does not reflect creditably upon certain features of the New York organization. We have pointed with pride at the results of this branch of municipal service and in a large degree this has been justified. In 1892 there were 409 cases of sickness and three deaths in the London department; 1894, 301 cases and two deaths; 1895, 396 cases and three deaths; 1896, 348 cases and no deaths; 1897, 382 cases and one death. A total of 1,836 cases and nine deaths, or one-half of 1 per cent., or in an average force of 953 men only two annually in every 1,000. Against that we have for the New York department: 1900, twenty-six deaths; 1901, twenty-eight deaths; 1902, twenty-five deaths. An average of over twenty-five deaths, or nearly twelve in every 1,000, or six times that of London. * *

DEFECTIVE CONDITIONS DESCRIBED.

Imagine an engine company whose members have been doing continuous duty for hours at a time. Worn and exhausted the members return to quarters with the apparatus. The company's roll is ten men and two officers; two or three are on a day off, three more go to late supper; the company musters six or seven, one or two are under the influence of liquor. A third alarm strikes for a big uptown blaze. The officer is "around the corner," the driver pulls up to wait for him and cover the man. Owing to this delay two pieces of apparatus are held back. Again another instance presents itself where two uncontrolled horses dash madly by a fire, while the driver sits reeling from side to side in a drunken daze, unable to check their career. Fortunately the fire is in a freight car instead of a nearby tenement swarming with humanity. Another occurrence reveals a driver falling from his seat, where half awake he had neglected to dodge the steel hangers which support the hanging collars. Supported by weights and ropes over pulleys their force struck him a glancing blow. My attention was first called to the accident by the erratic course of the tender and by the reins, slippery with blood, being suddenly thrust into my hands. Under the circumstances it was with difficulty that the horses were brought under control and the men saved from being dashed into an elevated pillar.

Many more such cases might be given with less fortunate results, but their recital would only result in an investigation in which nothing would appear. It is not intended to offer apologies for members of the department who permit themselves to indulge in such excesses. Drunkenness should be stamped out and be kept out of any fire department. But in the face of criticism which conveys the suggestion that a shift system will demoralize the men and lead to drunkenness, it is proper to point out that men employed under normal conditions are far less inclined to intoxication than men worked to the limit, with occasional lapses when freedom is given. As long as twenty-one hours a day is in vogue, just so long will such conditions exist. To continue as before is to invite the vice, where relief would at least minimize the evil by first putting the men into normal condition and then by holding them up to discipline, which is impossible at present. The city suffers the evil effects of the past and receives the benefits of the future. * *

THE REMEDY.

In the face of the appalling loss of life and property and coincident with the grave question of future protection, the question suggests itself as to the remedy for this disease, for disease it is, which is gnawing at the vitals of our paid departments, and any discussion or plan for its future strength and improvement must include a remedy for the shortcomings and defects which have been presented. To rear a structure perfect in all its parts, riveted together fast and firm, but resting on a quicksand, is to unite a collapse horrible in its consequences.

Today portions of our great city face possible destruction. Given the proper condition of wind and weather, coupled with an unusual demand upon the fire department, and a conflagration would sweep from block to block involving stupendous property loss.

Now that we have here shown the disease, what is the remedy? The remedy has been suggested and the remedy is now in operation. The importance of its trial is evident. All eyes are on New York. Albany, Syracuse, Rochester, Buffalo, Boston, Cleveland, Chicago, Philadelphia, Pittsburgh, Washington, Baltimore, San Francisco have all been active. Affected in turn with great fires, stirred by horrible disasters, confronted by facts, each and every one have begun to move. In Chicago we find a two platoon ordinance passed; in Cleveland the question openly discussed, Buffalo passed its bill for relief, and during all this time the public have been dimly cognizant of what was going on. In 1901, 1902, 1903 and 1904 the two platoon bill for the fire department was presented to the Legislature for consideration; each year the truth of existing evils became more noticeable. At last it was passed by both Assembly and Senate and brought before Mayor Low in the spring of 1902. As a substitute the mayor, however, accepted in its stead a one day off in five plan, which has been in operation in another city, but which, failing to remedy the defects, a platoon system was under consideration. * *

With no desire to avoid the discussion of increased cost, I have endeavored to convey the proof that it does not mean a doubling up of the force, but a per cent. of increase less than one-third. Some time ago in sounding the sentiment of the public regarding such a change I secured the names of prominent business interests representing over $100,000,000 of taxable property interest on a petition to the Legislature advocating its adoption. In addition to this a number of well known bankers and men of standing wrote personal letters to the mayor favoring the measure. The increase in the annual amount would never at any future time be appreciable. The saving to life and property is hardly to be called theoretical, seconds saved being of practical value, while life saved might come very near to our own homes.

The falsest economy we have facing us today throughout the country is the economy of our fire department. Everywhere we find a constant struggle going on to obtain sufficient money to insure its efficiency. Here in New York we may have never been lavish, but the defects existing have been patent to all. At the threshold of a new era let us remodel our fire department.

Fire Insurance in Great Britain in 1904.

(*The Post Magazine, London.*)

Fire insurance operations are now so complicated that it is difficult to compress even prominent matters of interest into a review of reasonable length. After an inauspicious opening the year just closed has turned out on the whole decidedly good. It will not, of course, compare with 1903. That year was one of the best, and it would hardly do for the offices to enjoy too great prosperity. The volume of new business will in all probability show a decrease, due to the depressed condition of all classes of industry; and although the outlook now appears more promising, many circumstances still exist to keep trade unsettled. Lancashire in particular has suffered much, but the increased shipments of cotton have revived the industry and the normal activity has returned. It is noticeable that the fire hazard of many classes of risks is increasing, and the prevalence of conflagrations has been a serious feature of the year. The question of congested areas has again been considered and has led many offices to decline risks in crowded localities, and to exercise the utmost vigilance in regard to what they retain. Naturally this action is resented and owners of this class of property, failing protection from the offices, make appeals to the municipal authorities, usually without result. It is not easy to find a remedy for this state of things in old and busy districts. Such areas occur in most of our larger towns, especially in London, Liverpool, Glasgow, Manchester and Nottingham. Even Sheffield and Birming-

Amenophis.

POEM BY FRANCIS C. MOORE, IN THE INDEPENDENT.

Stone Sarcophagus Containing Mummy of King Amenophis II.

In a spacious tomb chamber, hewn out of the solid rock of a mountain near Luxor, ancient Thebes, approached by a hallway cut for more than a hundred feet into the heart of the mountain which contains the "Tombs of the Kings," lies the mummy of King Amenophis II. in the stone sarcophagus in which it was laid more than 3,400 years ago. An electric light at his head illumines the calm features, and reveals the wreaths of flowers with which his body was decked for burial. When it is borne in mind that all of the important events of recorded history have happened since he was laid in his tomb, and that Moses, the great Hebrew leader, and the Pharaoh of the Exodus, were yet unborn when Amenophis sat upon his throne, it is impossible to look upon his impressive countenance without profound emotion.

Asleep in the mountain's heart, O king
Of Egypt's ancient line,
How strange would seem this later world
To those sealed eyes of thine.

The Nile-tide bringeth life and hope
While countless ages roll,
But not three thousand years have solved
The mystery of thy soul.

Three thousand years of dreamless sleep,
God's cycles traveling fast,
Are but three yesterdays with him,
A night-watch that is past.

How brief the span of human life;
Earth's dynasties to thee,
Are fading names on shifting sands
Of Time and Eternity.

The Jewish kings have turned to dust;
The Persian's might is spent;
No more the haughty Syrian strides
In pomp before his tent.

Thou wert sleeping there when Bethlehem's Star
Was blazing in the sky,
Still slumbering through the awful gloom
Which hung o'er Calvary.

The Lion Heart and Saladin
Have met on Judah's plain;
And round Marengo's marble chief
The Mamelukes charge in vain.

And thou must sleep till Gabriel's trump
Shall sound above thy head;
Till thou shalt stand with us before
The Judge of quick and dead.

Then if to duty thou wast true,
In that far distant past,
May he who died for thee and me,
Give thee his peace at last!

LUXOR, Egypt, January, 194.

Three Members of the Family of Amenophis, Lying in the Side Chamber—Two Women and a Child.
(Use of the cuts by courtesy of *The Independent*.)

ham, perhaps the lowest rated towns in the country, have their congested neighborhoods. The process of rebuilding is expensive and slow. Meanwhile the risk is probably only appreciated by fire managers and surveyors, who, aware of the insufficient brigade equipment in most towns, and the growing business activity everywhere, regard the conflagration hazard with serious misgiving. At any time we may be visited with huge fires such as have destroyed so much property in America during the past year. Against this we are pleased to note that the manufacturers of sprinklers and other similar appliances are busy, and that along with the improvement in these mechanical devices there is a marked increase in favor and interest with which the public regard them. It is our firm conviction that in the use of these appliances, and especially in the extended employment of outside drenchers on roofs and before windows and openings, lies the most practicable method at present available for protecting property in narrow and closely packed streets. The adoption of wired glass, the restriction of glass area and the use of external fireproof shutters of approved pattern would also help to lessen the danger. We are glad to observe that the chemical engine is steadily coming into favor with local authorities and brigades and that the motor fire engine is being more and more utilized. Notwithstanding one or two failures, inevitable in all new departures, we do not doubt that the motor engine will speedily supersede the old method of horse traction.

Fires, as usual, have been plentiful in many classes of risks. In particular the repeated outbreaks in agricultural districts, especially near large towns, have proved a further source of anxiety during the past twelve months. We do not remember so great a number of losses from spontaneous ignition and incendiarism in any previous year. Tramps also are becoming an increasing nuisance, fires almost dogging their footsteps. In this connection much dissatisfaction is felt at the tardy and uncertain movements of the police, who seem afraid to proceed with a case even when the fullest evidence is in their hands. Kent, we regret to say, has been especially notorious for farming stock losses, and it is sincerely to be hoped that now the matter is receiving the close attention of the offices an immediate and much needed improvement will ensue. Cycle and motor repairing shops and motor garages have further yielded an excessive number of fires. As anticipated, this is largely attributed to kerosene, and it is evident that if these risks are to yield a profit the rates must be firmly maintained. We reckon that for cycle shops and garages where oil is stored and used 15 shillings should be a minimum rate. The experience of engineers and metal workers has again been disappointing, and in view of the new oil heating and lighting apparatus the offices are finding it necessary to institute a thorough investigation into the corresponding increase of hazard, not only in their own but in the public interest. Bleachers, dyers and finishers constitute another class

which requires the serious consideration of the offices. Drapers and similar hazards have shown decided improvement over the experience of recent years. There was, however, a loss of more than £15,000 at Rodgers & Denyer, Windsor, and another of £18,000 in High street, West Sunderland. Something approaching £100,000 was lost in the burning of Dailuaine & Talisker's distillery at Aberdeen; and among other notable fires of the year may be mentioned a worsted mill at Keighley, loss over £40,000; a soap and candle factory at Aberdeen, £25,000; an oil mill at Lowestoft, £40,000; Kelroyd Silk Mills, near Halifax, £50,000; a fireproof cotton mill at Oldham and a non-fireproof cotton mill at Manchester.

Warehouses generally have contributed more than their share of losses, including £200,000 at Haydon Square Railroad Depot, over £40,000 at the Golden lane fire, nearly £60,000 at Fountain street, Manchester, and another £30,000 at Portland street, £27,000 at a Hull warehouse and £12,000 at the Liverpool Cold Storage premises.

Complaints of undercutting in rates, so prevalent a few years ago, have, with good reason, in a great measure ceased. On the other hand, the benefits derived from concerted action on the part of the leading insurance companies are everywhere recognized inside the business, and are being more and more admitted by the public. Very early in the year a new London mercantile tariff was issued, which fortunately could be based on an improved experience in several directions. Thus it was found possible to make material reductions in the rates for public wharves and warehouses in the port of London. These have, no doubt, already proved a boon to wharfingers and merchants, who at least will appreciate that in sound hands tariffs may easily operate for good. Moreover, we have reason to believe that the opportunity of making these reductions was greeted with satisfaction by the fire offices' committee. The practice of allowing experience to control rates in all the principal classes of risks is one to be commended, and if adhered to will certainly do much to disprove the suggestion that the only object of the tariff is to keep rates abnormally high. As we all know, its true raison d'être is to keep the offices from ruinous competition. That it is fast developing into an institution for basing rates on scientific principles is entirely to its credit. A mercantile tariff has also been found necessary for Southampton, in consequence of its growing importance as a maritime centre, and we believe the moderate rates decided upon have given satisfaction. Another useful piece of work of the Associated Offices has been the revisal of the fire policy conditions. Entire agreement in phraseology has not been attained, but obsolete and involved conditions have been excised, and the remaining clauses have been modified so as to agree in general principle. In the result a very great simplification has been effected. This also is a step in the right direction, for the business has now reached such proportions that we cannot afford to retain the leisurely methods of fifty or more years ago.

There is one question we have reserved for special treatment, as we think the fire offices' committee might well give it immediate attention. No class of risk has shown such unfavorable experience during the past year as mansions. Among the more serious losses we may adduce the following: Knepp Castle, West Grinstead, about £60,000; Davenham, Great Malvern, say £20,000; Blansdon Abbey, Swindon, over £25,000; Ellingham Hall, Alnwick, £7,500; Newbiggin Hall, Blanchland, £12,000; Hengar St. Judy, Bodmin, £25,000; Westbury Park, Petersfield, £20,000; Poltalloch House, Lochgilphead, £30,000; Enville Hall, Staffordshire, £26,000; and quite recently Uffingham House, Stamford. This formidable list by no means exhausts the record for the past year, which may be emphasized as altogether deplorable. Evidently the modern arrangements for lighting and heating these large isolated residences have introduced a fire hazard which neither their owners nor the insurance companies sufficiently appreciate. On the side of the owners the losses are frequently irreparable. On the side of the companies the payments made absorb something more than double the income derived from the class. In the interests of both parties, therefore, it is full time that something should be done. Considering the large sums included in a single risk, the lack in too many cases of fire appliances and water supply, and the expensive character of the loss setlements, the rate of 1s. 6d. per cent. is clearly quite inadequate. As matters stand, the losses are being paid out of the surpluses from other risks, and while this continues it is unlikely that the owners of these properties will greatly concern themselves about fire protection. There is therefore every reason why the rate should be made remunerative; the offices have a right to see that each class of risk pays for itself, and the owners will lose nothing by being compelled to give some thought to the matter. The only argument we have heard against revising this rate is the impracticability of distinguishing between town and country mansions. This, however, is not a very serious problem, for the effective distinction depends on the proximity of an efficient brigade and a good water supply. Early in the year it was announced that the Duke of Grafton had purchased a steam fire engine for Walsefield Lodge. Here is an example that might well be followed.

An Improved System of Identification.

The question of identity is often such an important one to life and accident insurance companies that the system of measurements recently invented by Alphonse Bertillon, chief of the Bureau of Judicial Identification at Paris, and an improvement on his already widely adopted method of physical measurements, will prove interesting. It is thus described in a translation from *La Vie Illustré:*

The object is to produce directly, without any other instrument than the object glass, photographs which can be used as a veritable geometric plan and can show the elevation and horizontal projection and, by means of rules and simple constructions, the exact forms and dimensions of the objects photographed. The camera can be arranged in such a way as to photograph the object desired from above or from the side, as the case may be. In the same manner one can secure a vertical photograph, and can even make a photograph of a ceiling in case of an explosion of some similar catastrophe.

Thanks to the decimal system of notation and by the use of lines crossing each other at regular intervals of 5 centimetres, one can observe all the possible angles and compute the necessary reductions in a great variety of photographs of the object to be reproduced for the purposes of the investigation. For arriving at this result it is only necessary to confine one's self to the rule for obtaining the height of bodies; place the apparatus horizontally, so that the axis of the object glass is at a height of 1.50 metres from the ground with the object .15 metre from the focus. It will follow in consequence in every case that the photographs will be found to have a reduction of one-tenth. Anyone knows that by an application of the geometric laws of perspective it is easy to establish a regular scale of deviation in each trial by a regularly decreasing or increasing reduction from the original reduction of one-tenth; to this end it is necessary carefully to compare the distances between the camera and the object photographed. This scale depends only on the height of the object glass from the earth and varies directly at this height. One can then determine in advance of the printing of the negative on the paper prepared to receive the positive proof. The photograph of a dead body is made (by arranging the apparatus in a vertical position) with a reduction of one-tenth calculated on the basis of a distance of .15 metre from the ground; that is to say, from the middle part of the extended body which is being photographed.

Life Insurance in Great Britain in 1904.

(*The Insurance Observer, London.*)

In the domain of life assurance the outstanding features have been fewer than in any year we can remember, and it will be almost sufficient if we say that this important department has enjoyed moderate prosperity, though less defined than the many workers in it could have wished. In actuarial circles about the usual number of useful papers have been read before the various societies undertaking educational work in this country, but none of them can be deemed to have thrown much fresh light on the problems discussed, and it may even be doubted if the majority of the contributions were quite up to the average of merit attained in recent years. Moreover, the period under review has not led to many changes affecting the competition for business. Some weeks ago the vigorous Manufacturers Life, of Toronto, opened a branch office in the Midlands, and more recently it became known that the venerable, opulent and splendidly managed Hand-in-Hand was to be absorbed by the enterprising Commercial Union, and less than a fortnight ago the Parliamentary bill which it is believed will give effect to the decisions of the two boards was deposited in the House of Commons. This contemplated fusion, although it will influence the course of life business here to some extent, should more properly be referred to under the heading of "fire insurance," for it had its origin, no doubt, in a desire on the part of the Commercial Union to obtain possession of the Hand-in-Hand's excellent home fire connec-

tions, and was also not improbably dictated by the somewhat anomalous position which the latter institution holds as a member of the fire offices committee. For a similar reason the arrangement come to between the boards of the Yorkshire Fire and Life insurance company and the National Assurance Company of Ireland can scarcely be regarded as a matter affecting life assurance currents, albeit the famous Dublin office possessed a small life premium income, which will prove a useful addition to the Yorkshire's steadily growing totals. Perhaps the most important event in this department was the legal victory won by Mr. Harry S. Foster over the astute and unscrupulous management of the Mutual Reserve, as there is now good cause to hope that our shores will soon be relieved of the presence of its most unwelcome American guest. To the level premium New York giants Englishmen of all shades have accorded a most hearty welcome, but they have never taken kindly to the pertinacious attentions of this once assessment concern, and its departure will not be mourned by anyone in the insurance world. In other directions, too, there is less worth recalling than on most former occasions, unless we refer to the obituary of the year—too sorrowful a subject to dwell upon during this holiday season. No new life company possessing any claims to importance has been started within the twelve months, and even the changes in the personnel of the offices have been of less consequnce than usual.

Fire Insurance Throughout the World in 1904.

(The Finance Chronicle, London.)

Although the results of the British companies transacting a worldwide business will be marred by the exceptional losses in the United States and Canada, the unfortunate experience in those countries will probably be found to be neutralized to no inconsiderable extent by the profits from the home field and from many places abroad, provided no fresh disaster occurs during the closing days of the year.

In the United States the record is a poor one even when the Baltimore conflagration is eliminated. * *

While important losses have occurred in several parts of the general foreign field, the results as a whole should prove satisfactory. In Mexico the experience has been rather unequal, some offices having suffered many severe losses, while others have been more fortunate. The business outside the city of Mexico has been generally bad, two fires in Progreso alone having absorbed at least £130,000. At Nogales a loss of £100,000 was reported, the Southern Pacific Railway being the chief sufferer, while a dozen other provincial losses have occurred during the year, amounting in the aggregate to over £80,000. In San Salvador an extensive fire, involving an insurance loss of £12,000, served to keep the bad reputation of the Central American states well to the fore.

In the West Indies the results were again very profitable, but rates at one or two points have been lowered, thus affecting to some extent the income from this field. Cuban business shows an improvement. The premiums from Havana represent fully £90,000, and not more than 25 per cent. of this sum will be required for reported losses. At the outposts and elsewhere in the islands losses will probably absorb £20,000, which should also leave a good profit.

Chilian losses have been somewhat numerous and heavy of late, and the profits from this business are not very tempting in view of the substantial deposit now required. The important Argentine field has, however, been more free from losses than usual, and should yield good results. In Buenos Ayres the losses for the first nine months amount to £30,000, as compared with an average of £85,000 in the four preceding years. Unfortunately, the prospects for the new year are less bright, as the growing tension in the relations between the foreign and the native offices threatens to lead to a disruption of the tariff, while insurance legislation of an increasingly oppressive character may be expected. Other South American countries show a favorable record.

Australia has been particularly free from serious losses, and the record in India has also been very favorable in respect to fires, although in Bombay the agency troubles have continued throughout the year to cause uneasiness and perplexity. The recent suggestion that the Government should require a deposit from offices operating in India might, if adopted, lead indirectly to a solution, as competition would be reduced by the withdrawal of the smaller agencies, and multiform companies would probably hesitate to make a separate deposit for each of their auxiliaries even if permitted to do so. Chinese fires in Shanghai have been unusually numerous and unsatisfactory, but business elsewhere in China has been good, and Burmah, Cochin-China, the Philippines, the Dutch East Indies, and Ceylon should all on this occasion contribute to the profits of the companies.

South Africa presents a less pleasing prospect. Losses have continued heavy throughout the year, and according to reliable local estimates amount to £700,000 for the first eleven months. Several fires have broken out in mining risks, but fortunately the resulting losses have not been very heavy, and the class has so far continued to pay at the present reduced rates. Among recent losses may be enumerated the burning of the railway works at Bloemfontein of the South African Railway Company, whose stores at Germiston were destroyed last year, and an extensive fire at East London involving several warehouses, and resulting in an insurance loss of about £40,000. In other parts of Africa, inclusive of Egypt, the business has been remunerative, and, apart from a conflagration in the small timber built town of Bigha, the results in Turkey have been very favorable.

On the continent of Europe the Antwerp disaster involved an insurance loss of £70,000, thus sweeping away several years' profits from this mercantile centre. Holland and Scandinavia have been free from important losses, but in Germany claims on industrial, agricultural and country business have been specially numerous, and offices cultivating these classes have lost heavily. The dry season has similarly affected other Continental countries, and the French proprietary companies estimate their profit at about 20 per cent. less than in the last year. Russian business has become less satisfactory, but losses have not been so severe as might have been expected under existing conditions and reinsurance contracts with the more careful Russian offices should yield a fair profit. Austrian business, always unfavorable to the reinsurers, has been even more disastrous than before.

In the home field there has been an absence of costly fires, and the business should show a good profit. Country mansions form an exception, but the offices having most of this business on their books invariably show an excellent profit, and are not likely to be materially affected by the increased frequency of fires of this class. To sum up, the business of 1904, outside of the United States and Canada, is likely to show in the case of most companies substantial profits, and the results of individual offices will depend in a great measure upon the proportion which American business bears to their total business and the extent of their losses in the two conflagrations referred to.

Saved by the Scissors.

MAKING THE MINUTES COUNT.

No business offers such unrivaled opportunities for wasting time, losing time, squandering time, as does our own profession. This is largely because the conserving of time in our business demands initiative, personal initiative, the opportunity to think out and do things one's self. In a mercantile line we go to the office, climb up on a stool, pore over the books for six or eight hours (as the case may be), mechanically climb down and go home. Our work has all been mapped out for us by someone else, by someone who can think and did think, who had the creative power. That same power is in every one of us. If you bring it out and exercise it you must have a measure of success in life insurance that no other business or profession can offer you. What I mean is this: You must be a slave to system; no, I don't mean that; rather, you must make system your slave. Your prospects, your policy deliveries, your examinations, your entire insurance work must be so systematically and carefully arranged at the beginning of each day, each week and each month, that instead of having a long procession of idle minutes dragging past, you feel there is only half time enough in which to do the work.

On the floor of the gold working room in the United States Mint at Philadelphia there is a wooden lattice work which is taken up when the floor is swept and the fine particles of gold dust (thousands of dollars yearly) are thus saved. So every successful man has a kind of network to catch the raspings and parings of existence—those leavings of days and wee bits of hours which most people sweep into the waste of life. He who hoards and turns to account all odd minutes, half hours, expected holidays, gaps between times and chasms of waiting for unpunctual persons achieves results which astonish those who have not mastered this secret.—*Theodore F. Lake in the Security Agent.*

PREPAREDNESS THE SECRET OF SUCCESS.

We are constantly learning lessons which should prove of great value to us, providing we are in a receptive mood. For

several months a war has been waged in the far East which has attracted the attention of the world. It is difficult at this time to know which side will be victorious or whether the powers will bring pressure to bear upon the combating parties to terminate in a compromising manner what has been one of the bloodiest wars in history.

Though impossible to foretell the final outcome, it is not difficult to see that so far victory has perched upon the banner of what the world considered by far the weaker power. Japan has been successful, and why? Military men claim that they have made no revolutionary discoveries. The chief lessons seem to be the overshadowing importance of being fully prepared. Every cog of every wheel in the war machinery of the Mikado goes quietly into place at the appointed time. They had been expecting war and were prepared. On the other hand Russia has candidly admitted she was not prepared and the world may judge the results.

What has this to do with life insurance, did you say? A great deal. Every life is one of war. We must battle with the elements and our success or failure will depend upon our preparation. The life insurance solicitor who goes out each morning without being prepared for a day's work is liable to return with a saddened countenance at eventide. We may occasionally "run across" a case, but the men who generally write insurance are the men who go out every morning with a program mapped out for the day and leave no stone unturned in carrying out that program.

This is preparation. A man without it wanders around aimlessly until the day is well spent, and realizing that evening is drawing on with no results for the day's work discouragement seizes him and places the mind in a position incapable of proper service. Every life insurance man should map out each evening the program for the next day. It enables one to commence a day's work with confidence and insured victory. Don't waste time talking about your competitors. There is no necessity whatever for antagonizing the contracts of others.—*Pittsburgh Life News.*

WHY LIFE INSURANCE IS VALUABLE.

It has maintained the business of many a man. Life insurance is helpful to a man in business in more ways than he knows. Its possession stimulates his credit. Sometimes it serves as security to tide over an embarrassing period. It makes the borrowing of funds easier. It enables a partner to arrange a money substitute for his brain power if death occurs.

Because observation confirms insurance promises. Every person knows that life insurance accomplishes precisely what it undertakes to do—the prompt payment of money whenever death takes place. For this reason alone success is deserved. Any institution which meets its agreements is to be commended, and life insurance does this and much more, also. Experience has given to old line companies a reputation for fair dealing which only years of satisfaction could establish.

Because of the appreciation of beneficiaries. The thanks of those who receive money from life insurance are extended in two directions—to the person upon whose life the policy was standing for his thoughtful foresight, and, more forcibly still, to the institution from which the money has been received, as the faithful executor of the plans of the deceased. Such experiences, running through half a century, among thousands of families, more and more in number every year, naturally advance the cause of insurance. Just how much of the progress in other departments of life is due to the help which life insurance has given to bereaved families there is no way of estimating, but that it has been and is being of material advantage to this country and to the world in promoting civilization there can be no manner of doubt. —*The Union Mutual.*

WORKMEN'S COMPENSATION.

How such an act (workmen's compensation) would be received in this country is hard to tell. The Massachusetts Legislature is considering the problem, and some action in this direction may be taken at the next session. There is no doubt that it would be approved by employers as a general rule if it did away entirely with the common law and employers' liability act, but it is probable that if a workman had the benefit of the workmen's compensation act in addition to the common law and employers' liability act, employers would feel that an undue burden was being imposed upon them, and would combine to defeat it. At the same time if it did away with his present rights at common law and under the employers' liability act, the workman of this country would not be satisfied unless greater compensation were allowed than under the English act. Before the question can be definitely decided it must be actually tested and the results carefully watched. One thing is certain. It can never be a success until every employer who is affected by it is compelled by law to insure in some company, as by no other way can the workman be absolutely sure of obtaining his compensation in every instance where he is entitled to it. Certainly the insurance companies have nothing to fear. It is bound to make their business better and will eventually make every employer carry insurance. The only difficulty is the matter of adjustment of rates, which will be comparatively easy after such a system has been in effect long enough for the companies to learn from experience the probable cost to themselves.—*Employers' Liability Commentator.*

THE LETTER AND ITS REQUISITES.

A letter, correctly defined, means the conducting of a conversation between two or more persons who are widely separated.

There is not an intimation in this definition of writing. Of course, a letter has to be written, but when completed it ought to be truly representative of life—in other words, a heart to heart talk with a person at the other end of the bargain.

Why isn't this much needed condition prevalent in correspondence nowadays? Simply because we are sticklers for formality —we are insane with a desire to imitate our forefathers, never-questioning the consistency of their methods. When ready to dictate a letter the dictator shoould be thoroughly alive to the importance of what he is about to do. Then he should sink all personal feelings into oblivion and place himself in the position of the person addressed. Try through imagination to bring him directly before you, and when there don't write, but talk to him.

Good sound judgment in a correspondent is as necessary as a rudder to a ship. To understand human nature, to be able to read men, their moods, their temperaments, their intensity, to discover their vanity, their vulnerable points, their likes and dislikes, to be able, at least in a measure, to read character in handwriting, is an essential to successful correspondence not as fully recognized and appreciated as it should be.

Tact, more easily comprehended than defined, is one of the chief essentials to effective letter writing. It has been defined as a combination of quickness, firmness, readiness, good temper and facility; something which never offends, never excites jealousy, never provokes rivalry, never treads upon other people's toes. Nothing can take the place of tact. It is the shrewd correspondent's most powerful aid. Probably in the ordinary business life tact has done more than genius.

The finest built engine in the world will not move without steam. The most elegantly phrased letter will not produce results unless it is brimful of enthusiasm. The successful correspondent, to attain such a condition, must believe in himself and the products of his employer, or else admit his inability to write a letter that counts. Other things being equal, the degree of enthusiasm in any letter is the precise measure of its aggressive, conquering power.

One of the invariable rules of a correspondent should be thoroughness. What is worth doing is worth doing well. It is absolutely absurd to write a letter on Tuesday and have it so obscure and incomplete as to invite a second letter on Thursday. Gold is not found on the surface—it is revealed after incessant digging. Equally true is this of the exact standing of a situation —we are morally obligated to reach its bottom or else show in our letter to the customer that we only entered the case knee deep.—*System.*

A PREACHER ON LIFE INSURANCE.

Rev. Joshua A. Stansfield, of Indianapolis, in a recent address said:

Thus it is, gentlemen, that you have the philosophy of life insurance. While ordinarily regarded as a financial and business affair, it is essentially moral and has its inception in the enlightened moral sense of the Christian age. Life insurance we therefore regard as one of the choice products of the Christian religion, and, because of its essentially moral character, it will increase with the developing conscience of enlightened Christian people. True, life insurance has been regarded by some as a premium upon death and a distrust upon Providence, but all such superstition and error is being displaced by the enlarging ethics of the Christian faith. The highest in providence is to be provident—imitators of God. The truest faith fosters prudence; the purest life, sacrifice and service.

Though I have never been an insurance agent, I have long re-

garded this as among the "high callings" of a Christian civilization, and as you go forth among men in ministering to the highest Christian and manly virtues of broadest citizenship and self denial, for love's sake, you are, I believe, among the nation's first teachers of a high morality. Even though you may write out an application without first offering prayer and deliver a policy without singing a doxology, or any other of the established formalities of religious activity, yet this is in itself an essentially moral business, and with you, as individuals and as a body, there should be cultivated a spirit of probity, honor and high moral character worthy your apostleship.—*The Virginia.*

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1904,	$4,910,606.82
Cash Capital,	200,000.00
Liabilities, including reinsurance,	3,207,011.21
Net Surplus,	1,503,595.61

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1904.

Cash Capital	$1,000,000.00
Premium Reserve	2,178,043.74
Reserve for Losses under Adjustment	148,061.89
Reserve for all other Claims	5,263.89
Net Surplus	2,518,464.11
Total Assets	$5,849,833.63

HUGO SCHUMANN, Pres't.

Fr. Von Bernuth, Geo. B. Edwards, } Vice-Presidents. Charles Ruykhaver, Gustav Kher, } Secretaries.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$25,500,000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

The Agricultural Insurance Company of Watertown, N.Y.

Established 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

QUEEN

Ins. Co. of America.

New York.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, President.

Assets (Market Values) January 1, 1904	$87,458,889.12
Liabilities	80,748,046.91
Surplus	6,710,842.23

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

German American Insurance Company New York

CAPITAL INCREASED TO

$1,500,000

ASSETS

$12,074,306

NET SURPLUS

$5,633,249

PHENIX INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

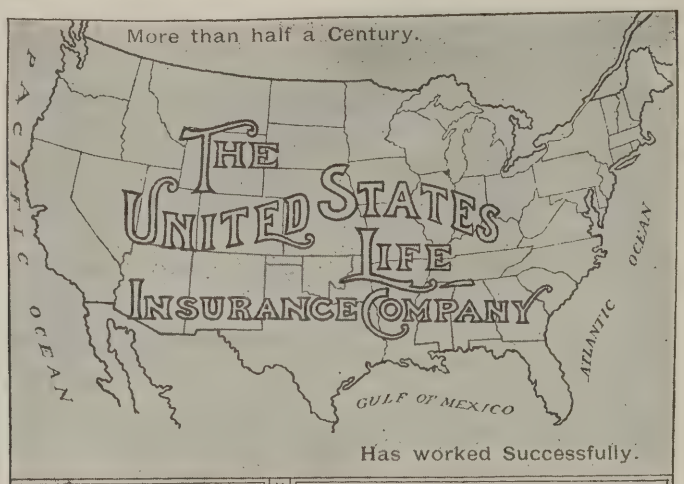
No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.



JOHN P. MUNN, M.D.
President

FINANCE COMMITTEE.
JAMES R. PLUM,
Leather.
CLARENCE H. KELSEY,
Pr. Title Guar & Trust Co.
WILLIAM H. PORTER,
Pres. Chem. Nat'l Bank.

Active and successful Agents who desire to make
DIRECT CONTRACTS
with this well established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3rd Vice-President, at the Company's Office, 277 Broadway, New York.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 10 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston and St. Louis.

ASSETS, $105,656,311.60

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1903 averaged in number one for each minute and a third of each business day of 8 hours each and in amount $89 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1903:

359 per day in number of Claims Paid.
6,297 per day in number of Policies issued.
$1,303,559.06 per day in New Insurance Written.
$98,582,76 per day in Payments to Policy-holders and addition to Reserve.
$53,841.18 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$48,175,913.27
Bonds and Mortgages,	31,814,193.06
Real Estate,	14,835,140.61
Cash,	5,301,220.90
Loans to Policyholders,	1,850,144.14
Premiums deferred and in course of collection (net)	3,000,401.30
Accrued Interest, Rents, etc.	679,298.32
	$105,656,311.60

LIABILITIES.

Reinsurance Fund and Special Reserves,	$94,008,251.00
All other Liabilities,	956,188.04
Capital and Surplus,	10,691,872.56
	$105,656,311.60

Paid to Policy-holders since Organization, plus the Amount now Invested for their Security, ... $238,295,968.84

Number of Policies in Force, ... 7,523,915

Amount of Outstanding Insurance, . . $1,342,381,457.00 Amount of Insurance Issued in 1903, . . $398,889,074.00

RECORD OF GROWTH IN TEN YEAR PERIODS

	Income	Assets	Surplus	Pols. in Force	Outstanding Ins.	
1883—	$2,082,619.05	$2,186,622.24	$627,368.24	531,048	$63,425,107.00—	1883
1893—	15,216,236.65	19,343,705.06	4,109,689.92	2,940,226	353,177,217.00—	1893
1903—	49,887,804.11	105,656,311.60	10,691,872.56	7,523,915	1,342,381,457.00—	1903

In its Ordinary Department policies are issued for from $1,000 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice-President.
GEORGE H. GASTON, 2d Vice-Pres.
GEORGE B. WOODWARD, 3d Vice-Pres.
FRANK O. AYRES, 4th Vice-Pres.
JAMES M. CRAIG, Actuary.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1904

On the 1st of March, 1904, **The Connecticut Mutual** reached a stage in its history very interesting to its management and its members, and one which is unique in the history of American Life Insurance.

On that date, but little more than fifty-eight years from its organization, it had received from its members in premiums the sum of $228,376,268, and had returned to them or their beneficiaries $228,724,073, or $347,805 more than it had received from them.

The Connecticut Mutual is the first American Life Insurance Company to return to its members one hundred per cent. of its receipts from them. And it holds besides $65,000,000 of assets, with a surplus of over $4,600,000, to protect over 70,000 policy-holders insured for over $166,000,000.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1904.

Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital,	$400,000.00
Reinsurance and all Liabilities,	3,342,171.20
Surplus,	2,519,442.31
Total January 1, 1904,	$6,261,613.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,
232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

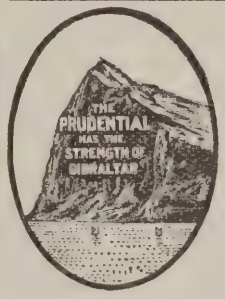
CHARLES PLATT, President
EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer.
BENJAMIN RUSH, Second Vice-President.
HENRY W FARNUM, Marine Secretary.
T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

COMMERCIAL UNION ASSURANCE CO.
LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York

Every Man Interested
in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential
Insurance Company of America.
Incorporated as a stock company by the State of New Jersey
Home Office: Newark, N. J.
JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men. The Grand Prize was awarded the Prudential at the St. Louis Exposition.

Head Office for the United States:
57 and 59 William Street,
NEW YORK.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

A. G. McIlwaine, Jr., Manager.

1794 OLDEST INSURANCE COMPANY IN HARTFORD. 1905

Ninety-fifth Annual Exhibit

OF THE

HARTFORD

Fire Insurance Company

OF HARTFORD, CONN.

JANUARY 1, 1905.

ASSETS.

Cash on hand, in Bank and Cash Items	$667,558.33
Cash in hands of Agents and in course of Transmission	2,470,382.10
Rents and Accrued Interest	11,621.87
Real Estate Unincumbered	946,500.00
Loans on Bonds and Mortgage (first lien)	696,794.00
Loans on Collateral Security	4,800.00
Bank Stock, Hartford, Market Value	404,628.00
" New York, "	458,470.00
" Boston, "	45,500.00
" Albany & Montreal, Market Value	99,883.33
Railroad and Miscellaneous Stocks,	1,337,301.50
State, City and Railroad Bonds	8,435,013.22
Other Assets	54,030.99
Total Assets	**$15,632,483.34**

LIABILITIES.

Capital Stock	$1,250,000.00
Reserve for Reinsurance	9,010,890.59
Reserve for all Unsettled Claims	1,345,344.08
Net Surplus	4,026,248.67
Surplus to Policyholders	**5,276,248.67**

GEO. L. CHASE, President.

CHAS. E. CHASE, Vice-President. P. C. ROYCE, Secretary.
R. M. BISSELL, Vice-President. THOS. TURNBULL, Ass't Secretary.

Western Department, Chicago, Ill. { COFRAN & DUGAN, General Agents. W. C. BOORN, Ass't General Agent.

Pacific Department, San Francisco, Cal. { PALACHE & HEWITT, General Agents.

Agencies in all the Prominent Localities throughout the United States and Canada.

WILLIAMSBURGH CITY FIRE INS. CO.

OF BROOKLYN, N. Y.

Fifty-second Annual Statement,
JANUARY 1, 1905.

ASSETS.

Cash in Banks and Offices	$162,888.82
Real Estate	672,929.76
Bonds and Mortgages	237,100.00
Stocks and Bonds	1,315,045.00
Loans on Call	35,250.00
Premiums in Course of Collection	180,384.12
Interest Due and Accrued	9,476.57
Rents Accrued and Other Items	6,857.28
	$2,619,931.55

LIABILITIES.

Capital Stock	$250,000.00
Reserve for Losses Unpaid, Taxes, Commissions and all Other Liabilities	135,938.52
Reinsurance Reserve	941,544.62
Surplus	$1,292,448.41
	$2,619,931.55

Book Value of Stock..... **$616 90.**

BROOKLYN, January 13, 1905.—Ninety-seventh Dividend—The Board of Directors have this day declared a Semi-Annual Dividend of 15 per cent., payable on demand.

MARSHALL S. DRIGGS, President.
FREDERICK H. WAY, Secretary.
F. H. DOUGLASS, General Agent.

INCORPORATED 1804.

Nearly Nineteen Million Dollars Losses Paid.

THE UNION

Insurance Company

OF PHILADELPHIA.

CHARTER PERPETUAL.

INSURES AGAINST LOSS BY FIRE.

One Hundred and Second Year of Continuous Operation.

101st ANNUAL STATEMENT* (Condensed). *January 1, 1905.

ASSETS.

State and Municipal Bonds	$115,965.00
Railroad and Other Bonds	201,997.50
Railroad and Bank Stocks	90,148.50
Real Estate	106,500.00
Cash in Banks and Demand Loans with Collateral	65,069.63
Balance in Hands of Agents and Other Credit Items	44,106.85
TOTAL CASH ASSETS	**$623,787.48**

LIABILITIES.

Reserve for Unearned Premiums		$271,390.81
Reserve for Losses, unadjusted and not yet due, and all other debts		27,170.34
Capital Stock	$200,000.00	
Net Surplus above Capital and all Liabilities	125,226.33	
Surplus to Policyholders		325,226.33
		$623,787.48

Over One Hundred Years old and has withstood the conflagrations of a century, with full indemnity to its policyholders and honor to itself.

CHARLES S. HOLLINSHEAD, Pres't. EDGAR R. DANNELS, Sec'y.
M. JOSEPH NOWLAN, Ass't Sec'y.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. SATURDAY, JANUARY 28, 1905. No. 4.

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Entered at the New York, N. Y., Post Office as second class matter.

AN index to the contents of the seventy-first volume, which closed with the issue of December 31, 1904, accompanies this week's paper.

NEARLY half of the fire insurance companies reporting to the New York State Insurance Department have filed their annual statements of condition on December 31, 1904, and underwriters are now in position to judge of the results of business in the United States in the year of heaviest burning of values since that of the Chicago conflagration. Selecting from the statements so far published those of the eighteen companies which show over a million dollars of net surplus each, it appears that fourteen improved that item during the year and four did not. The aggregates exhibit a large increase. All the companies referred to had a net surplus at the close of 1903 of $51,593,379, and at the close of 1904 of $54,246,228, a difference in favor of last year of $2,652,849. When we recall the forebodings of depleted assets which followed the series of great fires of 1904, which began at Baltimore in February, and compare with these results we will realize what energy has been thrown into the business to pull it through without serious loss. The improvement in rates, due largely to the inspiring influence of the National Board, and a fortunate concurrent appreciation in investments have been the saving factors. The companies are in better condition as a whole than at the beginning of last year, but it is due to their courage in facing the rate question. There must be money enough collected at all times to pay current and extraordinary losses and fair profits.

THE report of the examination of the Washington Life insurance company by the New York Insurance Department, which was made public this week, justifies the apprehensions with which we regarded the condition of the company in our comments last August. Mr. Vanderpoel not only discovered an impairment of over $80,000, but a difference between the actual surplus and that reported by the officers on December 31, 1903, of over $600,000. This misstatement of condition was due not to ignorance or inadvertence, but to conscious fraud. It is true that the examiner charges incompetency to the management, but he also makes against it the graver accusation of rendering "false annual returns to the Insurance Department," and in still more specific language says: "It is a fact conclusively demonstrated by the examination just completed that for the calendar years ending December 31, 1902 and 1903, the annual returns then sworn to were in respect to the data furnished the Insurance Department for a correct valuation by it of the company's policies, reversions and annuities then in force, *materially false*." In view of this terrible arraignment the question naturally arises, What should be done with the officers of a life insurance company who, in the language of the code, "knowingly concur in making or publishing any written report, exhibit or statement of its affairs or pecuniary condition, containing any statement which is false"? The law makes this a "misdemeanor." There was a time when a misdemeanor of this character would have been punished at the instance of the Insurance Department. But now the offenders are apparently permitted to resign from office, sell their stock in the company for a good price, and complacently inform the public that they are no longer interested in it.

IN its issue of August 27, 1904, THE WEEKLY UNDERWRITER very clearly foreshadowed the method of falsifying the statements made use of by the management of the Washington Life, as has been shown by the report of the examination, when it said: "We can readily understand that if a life insurance company found it necessary to maintain or increase its surplus, it could manipulate its outstanding insurance by instructing all of its agents to return all renewal receipts unpaid December 31, and cancel the policies. This would cause a very liberal reduction in its reserve liability, while it would not disturb its assets, and would liberally increase its surplus. If it wanted to retain the canceled business the policies could be revived immediately after January 1 by being returned to the agents, with instructions to induce as many policyholders as possible to pay up—a method that would work beautifully—if not found out." This is exactly what was done, and the reserve was "milked" each year of a sufficient sum to create a "surplus," which in reality had no existence. As to the responsibility for this transgression the department, in its report, as we have said, places it upon the several executive officers, and that is correct so far as it goes. But there is another department of a life company which must share the responsibility of its conduct, and that is the actuarial department. The record of policy values is kept in that department, and its head annually determines the reserve on each policy upon such basis as the insurance laws established. All policies, even lapsed policies, except term policies, have *some* reserve value on December 31 of each year. For a policy a year or less old is kept in force for thirty days by a grace clause, and to have no reserve value at all such policy must have lapsed prior to December 1 of the year in which it should be valued. The actuary must be informed of all changes in policies on his records, for any change may affect the value of the

policy in the report to the Insurance Department, The actuary of the Washington Life Insurance Company is a distinguished member of the profession, holds and has held important offices in actuarial societies and congresses, and is supposed to be thoroughly *au fait* in every branch of actuarial science. Is it reasonable to suppose that lapses and reinstatements of policies involving many millions of insurance, and hundreds of thousands of dollars of reserve, could occur in his company *fraudulently* without his knowledge and consent? If they did he was manifestly incompetent, or wilfully neglectful of his duty. If he was aware of what was transpiring, and a party to it, is he not as deserving of public censure as is the president of the company, who is deservedly held up to obloquy? This is a case of conscience, and in such case no man of intelligence can shield himself behind the orders of his superior officer, when it becomes a matter of committing or condoning a fraud.

THE report of the examiner is so meagre in details of the financial discrepancies which he discovered that it is disappointing. It does not afford any comparison with previous annual statements made by the company. The public, particularly the policyholders, had a right to know all that the examination revealed, but the department has apparently used its autocratic power to give out only what it cared to disclose. Still if the outside searcher for information undertakes to compare the figures of the report with those of the company's annual statement of December 31, 1902, the year when it began its strenuous manipulation of its records, he will discover that the real estate has been "boosted" $344,854. In 1902 the company carried cash in bank $232,822, a liberal amount for a company of the size of the Washington Life; on November 30, 1904, it had in bank $578,604. Why? The mortgage loans December, 1902, were $7,853,900, with interest due and accrued $78,546. On November 30, 1904, the same class of loans were $7,199,700, with interest due and accrued $147,480. Here we have the peculiar statement showing a decrease in mortgage loans of $654,200, and an increase in the interest due and accrued on that class of loans of $68,934. As the accrued interest must have been proportionately less in 1904, the overdue interest must have been phenomenally large for the amount of loans outstanding. Or were the loans so injudiciously placed that the rate of interest was much higher than the prevailing rate of 4 and 4½ per cent.? The loans to policyholders increased $107,492. Gross deferred and uncollected premiums in December, 1902, were $174,860, and in November, 1904, $420,605, an increase of $145,745. The greatest difference between any two succeeding years, from 1899 to 1903, was $85,000. The comparisons thus made demonstrate that the differences all led in one direction—to swell the assets. Why that is so is not shown by the report. However the policyholders of the Washington Life have the unusual and great good fortune to escape the fate which would inevitably have fallen to their interests had not a timely alarm arrested the downward course of the late management. In his statement supplementary to the examiner's report, Superintendent Hendricks makes the official announcement of the resignation of the executive officers responsible for the mismanagement of the company's affairs, and the transference of its direction to "men prominent in public life and in well known financial institutions in New York city," who have supplied the means to place the company on a perfectly solvent basis, and ensure its "continued progress along safe and conservative lines." Had proper vigilance been exercised it would never have become necessary for the Superintendent of the Insurance Department to have made this statement to the public.

Facts and Opinions.

As we go to press the statement reaches us that Superintendent Hendricks has laid the case of the mismanagement of the Washington Life and the perjury incident thereto before District Attorney Jerome and that that official is expected to take immediate action.

The **Connecticut General** insurance company of Hartford on Tuesday of this week **purchased the building of the Phœnix** insurance company of Hartford and adjoining property on Pearl street for a consideration said to be about $150,000, and will take possession about the 1st of next June. It is expected that the offices of the Phœnix will be moved to the Connecticut Mutual Life Building in the rooms now occupied by the Ætna, which latter company will probably get into its fine new building on Main street by that time. The Phœnix also will probably not be long without a residence of its own, as it owns a desirable site on Pearl street opposite the building which it is now leaving. The structure which the Connecticut General has acquired from the Phœnix is not a thing of beauty, and the distinguishing feature of the front elevation is its utter flatness. It was erected in the early seventies under the administration of President Henry Kellogg, and the following story is told to account for the peculiarity of its design: It appears that the building occupied by the Phœnix before that date was equipped with a projecting cornice, and that one morning after a rain a stream of water dropped upon the burnished tile of President Kellogg from the projection as he was entering. Mr. Kellogg then recorded a solemn vow that he should not be exposed to any such accident in the next home of the Phœnix, and the architect was instructed to design it accordingly. While we cannot vouch for the authenticity of this tale, we must certainly admit, in the beautiful words of Mr. Dooley to Mr. Hinnissy, "Si non è vero, è ben trovato." The purchase of a permanent home by the Connecticut General is an important step in the development of the company, the growth of which during the past few years has been steady and vigorous, and it now has $5,500,000 assets and $26,000,000 insurance in force approximately. Its detailed statement for 1904 has not yet been issued. Robert W. Huntington, Jr., is president, P. H. Woodward vice president, and James A. Turnbull secretary.

Whether William Kiernan was a **moderate drinker** or was addicted to the immoderate use of intoxicating liquors in the summer of 1900, when he made application to the Hartford Life insurance company for a policy of $1,000, is the question being threshed out in the Superior Court at Hartford, Conn., in the suit of Mrs. Annie Byrne, his sister, against the company. When the question of drinking habits was asked of Kiernan, in the application, he answered that he was a moderate drinker. He died in New Britain on November 3, 1901, and it was alleged that Kiernan was addicted to the immoderate use of liquors at the time the policy was issued and that his statement was untruthful. Claude D. Clarke, who is now a lawyer in New Britain, was a member of Company I, First Regiment, C. N. G., of that city when it went out for service in the Spanish War. Kiernan was a member

of the company. Mr. Clarke said that Kiernan was frequently under the influence of liquor and unfit for service, and had been put in the guard house for drinking. On the cross examination, in the interest of the insurance company, Mrs. Byrne admitted that her brother had taken the Keeley cure and that he had received treatment in the hospitals of Hartford and New Britain. Several members of the New Britain police department testified that Kiernan was addicted to the immoderate use of liquors, and there was testimony which showed that he had been many times arrested for drunkenness. The case is still in court.

"A great rock in a weary land" is the mighty Prudential, under whose protection nearly 6,000,000 of the "lesser brethren" find help in time of trouble. The enormous development of what Mr. Lanier has called "10 cent insurance" proves that to those before whom its advantages are rightly placed it is a necessity second only to daily bread. And any industrial agent can cite cases by the score where families scrape from their-scanty income by consistent and strong self denial enough to pay the weekly premiums. The Prudential is the pioneer in the American field, and its name is synonymous with all that is best in that line of the business. Its financial statement for the year just past, which will be found on the back page of this issue, shows that its policyholders are assured of an accrued surplus for their benefit of $13,325,886, and its assets on the first day of this present year were $88,762,-305. Since its organization the company has paid out to policyholders $92,000,000; $13,000,000 in the last year alone. During 1904 policies guaranteeing $312,000,000 were issued and paid for, and the total insurance in force now amounts to $1,000,000,000. The ordinary business has grown so of late that the appointment of several new officers was found necessary, as recently announced in these columns. The company's magnificent home office in Newark is a monument to the skill and system of the men who created the company and are carrying on its great work.

The last act of the **retiring Attorney General of Illinois,** H. J. Hamlin, was the preparation of a brief in his suit against the fire insurance companies as a "trust," the suit in which he was beaten in the Circuit Court of St. Clair County of the State and which he took to the Appellate Court. He reiterates his argument that the compact of the companies can be broken up under the common law. Regarding the future of the case Mr. Hamlin says:

> I am satisfied that my successor will prosecute this case to the court of last resort if it should be necessary to do so. I have confidence that he will do this, as the principle involved is an important one, for, if the State's contention is sustained, such combinations will hereafter be amenable to the courts for their conduct, and can be restrained at common law in any character of business or commerce which affects the interest of the public. There is probably no more universal thing in the community in the way of business than fire insurance. It is used not only in cities, towns and villages, but in agricultural communities, by almost every citizen who has insurable property. No loan is negotiated upon improved property without some provision for insurance. It enters into all the contracts of the people which relate to insurable property. It affects the rent of the home and of the mercantile establishment. It is safe to say that two-thirds of the buildings of the State are insured against loss by fire. This is so important and so vast that we find more than 110 companies engaged in it in the three counties named in the information filed in this case. While the proceeding has not yet attracted much notice outside the district, its outcome will be of general interest.

Despite the much discussed demoralization in the plate glass insurance business, there is one company at least that by reason of strong management and steady attention to business has, by devoting itself to that line alone, made important gains during the year of 1904 and established itself among the leaders in that branch. This is the **Lloyds Plate Glass insurance company,** 63 William street, New York, of which William T. Woods is president, G. M. Olcott vice president, and C. E. W. Chambers secretary. This company has, by sworn statement of December 31, 1904, assets of $822,484.73; liabilities, $271,-192.06, and a net surplus of $301,292.67. The company has, moreover, a reserve of $240,147.76. As an example of the progress which this organization has made, it may be stated that the assets increased last year $46,534.64 over 1903; the liabilities, on the other hand, decreased in 1904 $531.27, while the increase in surplus over 1903 was $27,593.87. In calculating this latter item the officials of the company adopted a most conservative valuation. Had advantage been taken of the market value of the securities held for that purpose the company would have added over $27,000 to the net surplus named above, which in itself is a satisfactory evidence of the solid financial condition of this corporation.

A number of important changes have taken place in the weekly premium agency field of the **John Hancock Mutual Life** this month. Mr. Alfred Green has been transferred from the superintendency of the Chicago district to that of Pawtucket, and the Chicago territory has been divided into three districts, Number One being placed in charge of Superintendent Edwin H. Warren, formerly home office inspector; Number Two, under Superintendent Charles J. Hogan, until lately acting superintendent at Fall River, and Number Three under Superintendent Thomas F. Toohey, hitherto an assistant superintendent in Chicago. John Bennett, formerly of Pawtucket, has been made superintendent of the Providence district, and D. J. Sweeney, formerly in charge at Providence, has been appointed superintendent of Philadelphia District Number Three, succeeding the late Charles H. Campbell. A new district, centring at Germantown, has been established by separating a part of Philadelphia District Number Three territory, and put in charge of Superintendent Frank B. Day, until lately an assistant in Philadelphia Three. The acting superintendency of the Fall River district has been conferred upon Assistant James C. Redfearn, of that city.

A **new tangle of the Holmes case** has been developed in the Chicago Underwriters' Association. Frank F. Holmes & Co., who have secured an injunction against the Underwriters' Association interfering with their business, have changed their firm name since the injunction was issued, it now being Holmes, Martin & Co. The association, however, has not formally admitted the new firm, holding that it has not filed a list of its partners nor complied with other preliminary requirements. Mr. Holmes recently made application for advance information as to rates and filled out the usual certificate that he controlled the line. He signed this application as Holmes, Martin & Co. and was informed that that concern was not a member of the board, but that if he would sign as Frank F. Holmes & Co. the information would be furnished. He refused to do this and served legal notice, demanding information for Holmes, Martin & Co. The executive committee held a special meeting and informed Mr. Holmes that the new firm had not yet complied with the requirements.

The fifty-third annual statement of the **Massachusetts Mutual Life** insurance company of Springfield is coincident with the report of Commissioner Cutting, of the Massachusetts Insurance Department, upon his triennial examination of this good old company, whose policies are recognized as sterling throughout the insurance universe. Figures are therefore not lacking to attest this. From 1895 to the opening of this year, or within a decade, the following growth is set forth: The assets of the company increased from $17,005,291 to $37,071,298; liabilities from $15,-738,152 to $33,770,674; surplus from $1,267,139 to $3,300,623; income from $4,074,444 to $8,210,639; expenditures from $2,757,181 to $5,020,834; insurance in force from $97,071,661 to $182,874,119. The total receipts of the company for 1904 were $8,210,639; the disbursements, $5,135,522, of which the total payments to policyholders were $3,609,385. During the year past the gain in insur-

ance in force was $13,205,663, in assets $3,480,298, and in surplus $653,132. The New York office, at 71 Broadway, is capably managed by George J. Wright.

The long fight of the Illinois Insurance Department against the **Illinois Central Fire,** one of the old special charter companies, has at last been successful, the courts having thrown the concern into the hands of a receiver on charges that its charter was invalid, that it had not filed a report with the Insurance Department and that it had refused to be examined. The department has been attacking the charter of the company on the ground that it was void for non-user, it being the old charter of the Columbia Fire, which was out of business for a number of years before the Illinois Central was organized, about two years ago. Stanley N. Cotterman, who was formerly manager of a Lloyds, is the manager and is now understood to have disappeared. The company claims assets of $150,000, largely invested in Pacific Coast securities of doubtful value. The only other old special charter company now operating in Illinois is the Continental Fire, and the validity of its charter is before the Supreme Court.

The *Review* of London says a good word for the **elderly men as insurance risks,** thus:

There are some curious ideas prevalent with regard to the line at which a man ceases to be insurable, on account of age. We have always had the impression—putting aside persons who are called unlucky, that is to say who have some peculiarity which is always getting them into trouble—that a man should increase in wisdom as he gets older. A man of sixty, and even over, is able to take care of himself much better than a younger man, more especially with regard to casual diseases, i. e., of the infectious order, and accident. An elderly man hunting would be more careful about his hedges, fences and ditches, and also his mount, than a much younger huntsman; and in getting in or out of a train, cab or omnibus he shows more deliberation. Yet there are some life and accidents offices who will not take a man over sixty on an ordinary policy, nor will some of the accident companies have him. This we think is hardly reasonable. We quite admit that failing sight or debility of body or weak limbs may add an extra factor of risk, but where they do not exist we should say that a man of sixty is better than a man of fifty. Still there are many managers, mostly young men, who think differently.

At the recent annual meeting of the **Fire Underwriters' Association of the Pacific** held in San Francisco, Mr. Herbert Folger, chairman of a special committee on the establishment of an insurance institute on the Coast, suggested the beginning of a correspondence with various technical institutions in that territory on the subject, and it was also proposed to inaugurate a plan by correspondence with students, as was for a while thought of by the national board. About 200 guests were present at the banquet in the evening, and the election of officers resulted as follows: A. W. Thornton, of Seattle, president; F. B. Kellam, vice president; Calvert Meade, secretary and treasurer. The new executive committee includes in its membership President A. W. Thornton, J. L. Fuller, Whitney Palache, W. H. Gibbons and George W. Dornin.

The annual meeting and election of officers of the **Philadelphia Fire Insurance Patrol** was held on Thursday of last week at the rooms of the Underwriters' Association in that city. The following were elected officers and directors: John L. Thomson, president; James W. McAllister, treasurer; Charles B. Hill, secretary. The directors are Atwood Smith, E. C. Irwin, Charles Platt, Jr., and E. J. Durben. The report of the fires in the city for the past year was presented, showing a total number of 3,395, an increase of 262 over 1903. The total insurance loss is estimated at $1,400,456; uninsured loss, $238,027. An investigation showed the principal cause of fires to be carelessness with matches, 622 fires having originated from that cause. Defective flues were responsible for 292 fires, and tobacco smoking 107.

Considerable merriment was evoked on the Boston "street" by the issuance on Thursday by the Boston Board of Fire Underwriters of the following tropical announcement: "Members are notified that the **tariff rates of Havana, Cuba,** and the country districts outside have been filed at this office and may be consulted here. Under the rules of the board it will constitute a violation of board requirements to write any risks in Cuba at less than these rates." It is to be fervently hoped that the Boston agents will be careful to observe this regulation when writing risks in Cuba, although it must be admitted that with the competition of English, Scotch, Irish, Welsh, Russian and Japanese companies in the ever faithful island, the temptation to cut rates is a great one.

The following figures are from the preliminary statement of the **Bankers Life** insurance company of New York: Total admitted assets, $1,400,000, an increase of $200,000; total surplus, $187,000, an increase of $25,000; total insurance in force, $23,606,000, an increase of $1,361,000; amount of insurance written and restored in 1904, $5,995,414; premium income, $850,000, an increase of $70,000. The above statement is the best in the company's history. It shows a decrease in management expenses of $20,000, and home office expenses of $26,000. The recently announced appointment of Mr. Frank Tully as manager of agencies is a foreordination that the company will make substantial advances in 1905.

The **Travelers** insurance company of Hartford has issued a very attractive **year book** in pamphlet form. Besides detailing its financial condition the book gives these statistics of its accident experience, which will be of interest to statisticians and others: Accidents to pedestrians, 24.14 per cent.; at home (indoors), 18.80 per cent.; horses and vehicles, 18.16 per cent.; at home (outside), 15.98 per cent.; recreation, 6.15 per cent.; railroad travel, 4.77 per cent.; bicycle accidents, 4.06 per cent.; street car travel, 2.74 per cent.; use of firearms, 1.73 per cent.; animal bites, 1.52 per cent.; assaults, 1.20 per cent.; steamship travel, .70 per cent.; miscellaneous, .05 per cent.

A visit was made by the members of the **committee on insurance of the American Bar Association** upon President Roosevelt at Washington on Tuesday, and also on Corporations Commissioner Garfield. It is understood that the committee talked over the subject of Federal supervision with the President, and inquired about uniformity of fire insurance policies and uniform State insurance laws of Commissioner Garfield. The committee, which will report its conclusions at the next annual meeting of the American Bar Association, is composed of Ralph W. Breckenridge, of Omaha, chairman; Burton Smith, of Atlanta; R. A. Mercer, of Towanda, Pa.; Alfred Hemenway, of Boston, and W. R. Vance, of Washington, D. C.

The annual meeting of the directors of the **Western Adjustment and Inspection Bureau** was held on Wednesday and reports showed that during the past year 3,535 losses had been adjusted, representing 14,135 policies and $51,685,292 of insurance, at an average cost to the companies, including attorneys' and appraisers' fees and all other charges, of $1.75 per $1,000. The amount of business handled has more than doubled in the past few years. Sixty-eight companies are now members of the bureau. The following officers were elected: President, I. S. Blackwelder, Niagara Fire; vice president, A. J. Harding, Springfield Fire and Marine; secretary, J. S. Gadsden, Ætna; treasurer and general manager, W. E. Hariner.

The **Granite State Fire insurance company** of Portsmouth, N. H., details in our advertising columns today its annual

statement for 1904. The company has total assets amounting to $685,999.44, total liabilities of $358,268.02, and a net surplus over all liabilities of $127,731.42. The company's surplus as regards policyholders is $327,731.42. The capital stock paid in in cash is $200,000 and its reserves for reinsurance are $314,795.64. The officers of the Granite State are: Calvin Page, president; J. Albert Walker, vice president; Alfred F. Howard, secretary, and Justin V. Hanscom, treasurer. The statement shows that the company is well upholding its excellent and established reputation.

In the "Reminiscences of the First Decade of the Monitor's Existence," contributed by Mr. David Parks Fackler to the half century anniversary number of that paper, appears the following **reference to the Washington Life:**

In January, 1860, the Washington Life insurance company was launched, with Mr. William A. Brewer as secretary and actuary. Its offices were in the second story of the Mutual Life's Building. This company was started under the patronage of the Mutual Life, and its directors were personal friends of President Winston. It was understood that the excess lines of the Mutual should be turned over to the Washington.

Recent events are a reminder of the saying about chickens coming home to roost again.

The city's **fire fighters had a hard time** of it during the past few days, but nevertheless handled three big blazes in fine fashion. Snowdrifts and bursting hose from freezing were their worst handicaps. On Thursday a truck on its way to the Front street fire was stalled in Wall street, until a howling mob of clerks and messengers hitched themselves to a long rope and gave the helpless horses a lift. At New Britain, Conn., on Wednesday night, horse engines were helpless, but an automobile chemical engine, formerly rather jeered at, got through the drifts and prevented a bad blaze.

The annual meeting of the **Georgia Association of Life Insurers** was held last week at Atlanta, and after a pleasant social meeting and luncheon the following officers were elected for the ensuing year: President, E. R. Black, Prudential; vice president, George M. Hope, National Life of Vermont; secretary, J. J. Coggins, Manhattan. Executive committee—R. L. Foreman, Equitable, chairman; Clarence A. Angier, Mutual Benefit; Thomas H. Daniel, Union Central; Edwin R. Haas, Security Mutual, and Charles McGee, Home Life.

The **Arkansas anti-trust law is getting in its work** already. The Little Rock Furniture Manufacturing Company has announced that it will not rebuild its plant, recently destroyed by fire, as the company will not be able to protect itself against financial ruin by a repetition of the occurrence, when the fire insurance companies withdraw, as may shortly be the case. The company has a large weekly payroll, which will, of course, cease to add to the circulation of the "needful" in Little Rock. This is what is sometimes called "keeping insurance money at home."

The **Park Slope incendiary in Brooklyn** is thought to have been caught in the person of Harry Potter, a grocery clerk. The police say that he made a confession, in which he stated that he had started a number of the suspicious fires, using matches in some places and short candles in others. His vocation gave him access to the basements of flat houses without much danger of detection. The arrest was made by a member of the Brooklyn Salvage Corps, who will get the underwriters' reward. Potter was held by a magistrate for trial.

The **New Jersey Underwriters' Association** had a very pleasant dinner recently at Newark and elected the following officers, to serve for the year 1905: President, O. L. Gooding, general agent of the Northwestern Mutual Life; vice president, Cyrus H. Lang, Prudential; treasurer, Charles L. Whitfield, Mutual Life; secretary, J. Albert Sandford, Prudential; executive committee, Edgar C. Taylor, Metropolitan Life; A. H. Gseller, National of Vermont; H. M. Van Sant, Travelers; Fred E. Crotois, Germania Life.

The **Union Insurance Company of Philadelphia** went through the Baltimore conflagration with a large loss, but with flying colors, nevertheless, and enters the new year stronger than ever. Its net surplus is $125,226.33 against $30,233 last year; its assets are $623,787.48 against $546,907 at the beginning of last year. The company is over 100 years old, has paid $19,000,000 to its insured and has withstood the conflagrations of a century "with full indemnity to its policyholders and honor to itself."

Companies writing **life insurance on the stipulated premium plan,** fearful of adverse legislation, have formed an organization, with Edward A. Temple, president of the Bankers Life of Des Moines, as president and Nelson O. Tiffany, of the Masonic Life Association of Western New York at Buffalo, as secretary. A conference has been called of all stipulated premium companies, to be held in the Masonic Temple, at Buffalo, February 14, to organize to oppose pending or proposed legislation.

At a meeting of the directors of the **Ætna Indemnity Company** this week the following additional **official changes** were made: Mr. Samuel B. Brewster, of New York, was elected treasurer, succeeding William Turnbull, and will act as temporary manager at Hartford until the reorganization is completed. J. H. Webb, of New Haven, was elected counsel for the company, succeeding Lewis Sperry, who has held that position since the organization of the company.

The **West Virginia Fire Underwriters' Association** held its seventh annual meeting at Wheeling on Wednesday, and after discussion of various local matters the following official staff was conducted into office for the year 1905: A. G. Sanderson, president; J. E. Brown, of the West Virginia Inspection Bureau, secretary and treasurer. Executive Committee—Louis A. Lent, U. O. Michaels, A. F. Bolling, J. F. Paull and D. H. Collinson.

The **annual statement of the Berkshire Life** insurance company of Pittsfield, Mass., shows receipts during the year of $3,110,055. The company paid to its policyholders $1,542,466 and has a net surplus of over $1,000,000. It maintains under the Massachusetts standard a reserve of $12,602,686. The company made substantial gains in all lines throughout the year, and has total assets of $13,784,253. Mr. John H. Robinson is general agent for New York and New Jersey, with offices at 253 Broadway.

At the annual meeting of the directors of the **Atlantic Mutual** insurance company on Friday of last week several changes in the staff were made, brought about by the recent retirement of Vice President Frederick A. Parsons. Cornelius Eldert, formerly second vice president, was made vice president; Theodore P. Johnson was advanced from third to second vice president, and James L. Livingston was elected third vice president. Anton A. Raven, who has been connected with the institu-

tion since January, 1852, and has been its head since early in 1897, was re-elected president.

The **Calumet Fire of Chicago** completed its organization on Tuesday, when the first meeting of the stockholders was held. The stock has all been paid for, and arrangements have been made for the investment of the half million in cash. Of this $200,000 is capital and $300,000 surplus. Marvin A. Farr, a prominent Chicago business man, is to be the president, and Henry Fowler, formerly of the Home of New York, who was the organizer of the company, the secretary and manager. The agency plant is now nearly completed, and will be announced February 1.

The **Presbyterian Ministers Fund** for Life Insurance, of Philadelphia, which has the distinction of being the oldest life insurance organization in America, celebrated its 146th anniversary on Tuesday with a banquet at the Hotel Walton in that city. The report of the president shows that there are 6,277 insured in the fund, for a total amount of $10,000,000. The assets are $219,000, and the surplus is $594,000.

The Governor of Illinois proposes an amendment to the Illinois corporation law, which will be of service in the **fight against the wildcats** in that State. He wants all outside corporations barred whose capital stock is not fully paid up. That will keep out many of the Virginia and West Virginia concerns which have a large authorized capital and a small amount paid in.

The 1905 list of **licensed insurance brokers in Massachusetts** has been issued by the Insurance Department, and contains upward of 2,000 names. The pamphlet contains the text of the law relating to insurance brokers and a declaration by Insurance Commissioner Cutting that he will omit no effort to secure compliance with its requirements.

The thirty-fifth progressive **annual statement of the New Hampshire Fire** insurance company of Manchester gives the company's total assets as $3,911,734, its net surplus $1,109,685 and reserves for reinsurance $1,478,071. The company has $1,000,000 capital stock and is as stable as the granite hills of its home State.

Choice of a new **insurance superintendent of Missouri** is reported to have narrowed down to Mr. Rubey, a banker at La Belle, and Mr. Todd, an editor at Maryville. Both are regarded as good men, but Mr. Rubey as somewhat better qualified. The term of the present superintendent expires in March.

It is announced from Pittsburgh that the **Pittsburgh Fire Underwriters,** comprising the Allemania, the National, Ben Franklin, Humboldt, and Teutonia insurance companies, **will shortly enter New York State,** the recent increase of the Teutonia's capital stock to $200,000 having made such a move possible.

The list of **surplus line insurance on the Schwarzschild & Sulzberger general form loss** at the Chicago stockyards shows that London Lloyds was on for $263,485. The other large surplus lines were the European Underwriters, for $50,000; the Gladbach for $30,000, and the Nydanske for $25,000.

At the annual meeting of the **Pittsburgh Fire Underwriters' Association** last week officers were elected as follows: President, W. G. McCandless; vice president, J. W. Patterson; secretary, W. D. McGill; treasurer, John H. Claney. William L. Jones, James Little and Theodore Motherel were elected members of the executive committee to serve for three years.

The annual election of the **Life Insurance Agents' Association of Kentucky** resulted in the following officers: President, Loren B. Williamson, Home Life; vice president, F. L. McKernan, National of Vermont; secretary, H. S. Sheldon, Citizens of Louisville; treasurer, H. B. Knowlton, Travelers.

The **annual convention of the Conservative Life** insurance company will be held this year on March 6 in the sunny homeland of the company, Los Angeles, Cal. Vice President Wilbur S. Tupper has sent invitations to a number of insurance journalists to enjoy his hospitality on that occasion.

The Greater New York agency of the **North German Fire** insurance company has been **removed from the R. D. Tweedale & Co.** agency, it was announced this week by Secretary Loeb, and will be operated for the present from the office at 2 Liberty street.

The **insurance of high grade horses** against the hazards of fire, disease, accident or necessary killing on account of accident is undertaken by London Lloyds. The rates are 5 per cent. on horses worth $5,000 or over, and 6 per cent. below that amount.

Number of fires, 518; loss of property, about $720,000; insurance involved, $3,400,000. This is **New Orleans' fire record for 1904,** as shown in the report of Chief Engineer O'Connor to the board of fire commissioners.

The recent **fire at 31 and 33 Pine street** drove out several insurance firms, including R. D. Tweedale & Co. The vaults of the Royal Exchange in the same building were opened after the fire and the company's papers found to be intact.

The firm of **Fred S. James & Co.,** New York, this week filed articles of incorporation at Albany as insurance brokers, with a capital stock of $50,000, and the following directors: Frederick S. James, George W. Blossom, Edward Meinel.

Under a charter granted in Maryland in 1892 Olin Bryan, of Baltimore, is organizing the **National Trust and Guarantee Company** to do a bonding business and hopes to start March 1 with $500,000 capital.

The Jefferson Fire and Marine insurance company of Richmond, Va., has reinsured the **United States business of the Ottawa Fire** of Canada.

Personal.

AGENCY APPOINTMENTS.

Equitable Life: J. W. Dunn resident manager at Charleston, S. C.

Federal Fire of New Jersey: George S. Whitehead, special agent for Missouri, Iowa, Nebraska and Colorado.

Providence-Washington: P. F. Willis special agent in Iowa and Missouri, with headquarters at St. Louis.

Reliance Life: C. H. Cosgrove, of Columbia, general manager for South Carolina.

Security Fire of Baltimore: Yocum & Drennan, Houston, Tex., general agents for Texas, Louisiana, Arkansas, Indian Territory and Oklahoma; Williamson Brothers, general agents for Tennessee at Memphis; A. G. Langham, Louisville, general agent for Kentucky; P. S. Campbell, Jackson, general agent for Mississippi.

Mr. Luther Spencer Goble, late general agent of the Mutual Benefit Life in the city of New York, died at his residence in Morris County, N. J., January 20, aged seventy-nine years. Mr. Goble was born in Newark in 1826, and was a member of the New Jersey bar. He served as a member of the Board of Education for several years, and as its president

in 1872 and 1873. Mr. Goble gave up his law practice in 1859, and became general New Jersey representative of the Mutual Life of New York. In 1873 he was elected president of the Mutual Benefit Life, serving three years, resigning to become general agent for the company in New York, which position he held until he gave up active work about a year ago. In 1890 he was elected president of the New York Life Underwriters' Association, and during his term of office he did much to advance the life insurance interests in every section of the country. He is survived by his wife.

General Manager C. Chevalier Cream, of the National Assurance of Ireland, was aboard the Baltic, which arrived at Boston on Friday. It is inferred by some that his arrival presages the reinsurance of the National's business in the United States, but Manager Kendall has said that such action is merely rumor, so far as he knows.

Secretary William Trembor, of the German of Freeport, announces his retirement from office, to take place April 1, when he will be succeeded by Fred M. Gund. Mr. Trembor has been with the company twenty-five years, and has been a conspicuous factor in the fire insurance business as a whole in the West. He will continue on the board of directors.

Mr. Octave Whittaker, an insurance agent, of 60 Park Row, New York, was stricken with apoplexy on Wednesday night while playing the organ in the Masonic Temple at Sixth avenue and Twenty-third street. He is a high Mason, and an accomplished musician. He was taken to New York Hospital in a critical condition.

Mr. Washington Irving, formerly of the Phœnix of London in New York, has been appointed State agent of the United States Casualty Company in California for personal, accident, steam boiler, health, elevator and sprinkler leakage lines. The company has just been admitted to that State.

President Elbridge G. Snow, of the Home insurance company of New York, was honored this week by his official and clerical staff with a silver centre piece of ornate design, in double commemoration of his birthday and his first anniversary as executive of the great company which he manages.

General Agent G. L. Meyers, of the Little Rock, Ark., general fire insurance agency, has come East to confer with the officers of the companies about the action to be taken in view of the enactment of Governor Davis' anti-insurance law.

Mr. Charles H. Ferguson has been appointed general agent of the Illinois Life for Northern Illinois and Eastern Iowa. He is a son of the late Charles H. Ferguson, who was general agent of the Mutual Life of New York for Illinois.

Mr. H. C. Martin has resigned as general agent for the South Atlantic Life at Richmond, to become general agent for the Penn Mutual Life at Knoxville, Tenn. Mr. Martin's first insurance experience was with the Penn Mutual.

Mr. George M. Hippee, manager of the street railway company in Des Moines, has been elected president of the Hawkeye Fire insurance company, to fill the vacancy made by the death of James H. Callanan.

Mr. C. H. Lord, special agent of the Germania Fire in the Western field since the organization of that department, died at Milwaukee of typhoid pneumonia on Tuesday after a short illness.

Mr. James A. Green has been elected first vice president of the Columbia Life of Cincinnati, Ohio, succeeding Major Frank J. Jones, who continues with the company as chairman of the executive committee.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

LITTLE ROCK, January 21.—Senator Calvin T. Cotham, of Drew and Desha counties, introduced, by request, today in the Senate a bill which is aimed primarily at the "wildcat" insurance companies doing business in Arkansas. The bill is known as Senate Bill No. 73, and is said to carry out the request of Governor Davis. It provides for the incorporation of associations to do the business of life, accident and health insurance on the mutual or assessment plan, and to control such associations doing business in this State.

LITTLE ROCK, Ark., January 23.—Governor Davis approved the anti-trust bill at 3 p. m. today. It becomes operative in sixty days from date.

California.

SACRAMENTO, Cal., January 20.—Senate Bill No. 29, introduced by Senator Shortridge, and referred to the Committee on Corporations, requires a deposit of $100,000 from employers' liability companies.

Colorado.

DENVER, Col., January 24.—House Bill 147, by Mr. Adamson, requires that no fire insurance company shall reinsure in any manner whatsoever the whole or any part of any risk covering property in this State of any insurance company not authorized to transact business in this State. This bill is to repeal a statute already a law of the State.

Illinois.

SPRINGFIELD, Ill., January 24.—Representative Lurton today introduced in the House a bill providing that partnerships, firms or individuals engaging in underwriting shall file with the superintendent of insurance a statement showing the financial standing of each person in the firm.

SPRINGFIELD, Ill., January 25.—Senator Burnett today introduced a bill to require foreign and domestic life insurance companies to file annually their gain and loss accounts with the State Superintendent of Insurance, and providing for the reception of authenticated copies thereof as evidence in all suits and proceedings. The bill also provides that such gain and loss accounts shall be open to public inspection.

Indiana.

INDIANAPOLIS, Ind., January 21.—Representative Mace today introduced House Bill No. 141, compelling insurance companies to deliver duplicates of policies within thirty days after proof that policy has been lost, stolen or destroyed. It further provides that assignments of interests shall be in writing, and original or copy must be filed with company issuing policies within thirty days. The penalty for violation equals the face of the policy. Suit may be brought in the name of the State to enforce this law.

Representative Ruick introduced today House Bill No. 147, prohibiting rebates or inducements. This is a copy of Senate Bill No. 84, which was killed today in the Senate.

It is reported that an anti-compact bill is being prepared for introduction.

Senate Bill No. 74, by Mr. Wood, introduced January 13, and favorably reported by the Committee on Insurance, requires all insurance companies doing business in the State to have at least $200,000 capital or actual assets.

Kansas.

TOPEKA, Kan., January 21.—Senate Bill No. 251, introduced by Mr. Smith, is to require the State Insurance Commissioner to publish annually in newspapers lists of authorized and unauthorized companies.

Maine.

AUGUSTA, Me., January 17.—The Committee on Mercantile Affairs and Insurance of the Maine Legislature organized this week by the choice of Representative Milliken, of Island Falls, as secretary, and has assigned a hearing at 2 p. m. Tuesday, January 31, on "an act to establish a law uniform with other States relative to insurance policies." This is the bill recently mentioned and is known as the attempt to repeal the "arbitration clause"

in the Maine standard policy, but its provisions apply to all classes of companies and to fraternal orders.

Missouri.

JEFFERSON CITY, Mo., January 24.—Mr. Spankler has introduced House Bill No. 335. It relates to life insurance companies and provides for the repeal of section 7896, article 2, chapter 119, Revised Statutes, and enacts in lieu thereof a new section, to read as follows: "When any policy of life insurance hereafter issued by any company authorized to do business in this State to any citizen of this State shall have been in force two years and the insured shall thereafter die, no such company may plead in defense of any suit to recover thereunder that the insured committed suicide, and any stipulation to the contrary shall be void."

JEFFERSON CITY, Mo., January 26.—Mr. Richardson has introduced a bill to repeal the valued policy law.

The Missouri Insurance Department has decided to make no recommendations to the Legislature during the present session. The movement among the fire insurance agents, which promised vigorous efforts to secure the repeal of the anti-compact law, seems to have abated.

New Hampshire.

CONCORD, N. H., January 24.—A bill introduced in the House today, by Mr. Foster, provides that no policy of life insurance be allowed upon the life of a child under five years of age. Mr. Babbitt introduced a bill to require that agents of steam boiler insurance companies be residents of New Hampshire. Mr. Woodman, of Kingston, introduced a bill which provides for an annual distribution of surplus by stock life insurance companies. A bill by Mr. Jenkins, of Manchester, requires the issue of a paid up industrial policy after premiums have been paid for two years. Mr. Jewell, of Dover, introduced a bill requiring annual accounting of surplus. Messrs. Hurd and Cheney, of Manchester, would increase the tax on gross premiums of life insurance companies from 1 to 2 per cent. Mr. Roberts, of Laconia, introduced bills making the license fee of steam boiler companies $100 instead of $10, and providing that all examinations of insurance companies must be made by a resident of the State. Mr. Fifield, of Manchester, introduced a bill which proposes that life insurance companies doing business in New Hampshire shall invest a part of their reserve in the State.

Oregon.

SALEM, Ore., January 20.—The Capron bill to prohibit fire insurance combinations and boards will be amended in committee to require $250,000 capital and surplus for admission to the State and will embody the New York standard legislation.

The Smith bill, to raise the insurance tax from 2 to 4 per cent. on gross premiums, has been indefinitely postponed.

SALEM, Ore., January 25.—House Bill No. 264, by Mr. Capron, of Portland, read today for the first time, prohibits the writing of special life insurance contracts, the giving of rebates, or discrimination between persons of the same expectation of life, and is a copy of the New York statute prohibiting rebates.

House Bill No. 98, by Mr. Capron, so amends Sections 3711, 3716, 3727 and 3729 of the code as to eliminate the requirement of the deposit of $50,000 with the State Treasurer by insurance companies of other States and countries. A deposit of not less than $200,000 with the Insurance Commissioner or other proper officer of some other State, however, is required.

Appended to the amended sections of the code is the following additional section of this bill. It establishes an anti-compact law in the State:

SEC. 6. If a licensed company shall enter into a contract or combination with any other insurance companies for the purpose of controlling the rates to be charged for insurance upon property within this State, the commissioner shall forthwith revoke its license and those of its agents, and no renewal of the licenses shall be granted until after the expiration of three years from the date of the final revocation.

South Dakota.

PIERRE, S. Dak., January 25.—A bill was introduced in the House today providing that it shall be unlawful for any fire insurance company organized under the laws of this State, or under the laws of any other country, State of Territory, to write or issue any contract or policy of fire insurance on property situated in this State, the terms of which contract or policy shall be in conflict with the provisions of any statute of this State.

Texas.

The Senate Committee on Insurance, Statistics and History is as follows: Messrs. Stafford, chairman; Hicks, Smith, Willacy, Glasscock, Skinner, Meachum.

AUSTIN, Tex., January 20.—House Bill No. 22, introduced by Mr. Williams, regulates the taxation of corporations, including insurance companies.

AUSTIN, Tex., January 21.—House Bill No. 202, by Mr. Reiger, is an anti-rebate life insurance bill.

Mr. Reiger also introduced House Bill No. 203, to provide for the placing of surplus lines of insurance and licensing agents for said purpose; providing for a bond to be given by such agents, and for a tax on the receipts of premiums received on policies so obtained within this State, and prescribing the mode of procedure in case of failure to comply with this act. Read for the first time, and referred to the Committee on Insurance. The same bill was introduced in the Senate by Mr. Stafford. The above bills were prepared by the State Commissioner of Insurance, and introduced at his request.

Wisconsin.

MADISON, Wis., January 25.—Senator North introduced today a bill amending Section 1952 by changing the word "may" in the third line to the word "shall." This is the section involved in the Equitable surplus distribution case.

Miscellany.

The Washington Life Insurance Company—Report of the Examination by the New York State Insurance Department.

The report of the examination of the Washington Life insurance company, of New York, by the New York State Insurance Department was made public on Tuesday. The following is the full text:

EXAMINER VANDERPOEL'S REPORT TO SUPERINTENDENT HENDRICKS.

SIR—I beg to advise you that the examination of the Washington Life insurance company, of New York, directed to be made by your appointment dated August 15, 1904, having been com-

pleted, I respectfully submit to you my report upon said examination, as follows:

CONDITION NOVEMBER 30, 1904:

ASSETS.

Real estate		$6,477,984.00
Mortgage loans on real estate		7,199,700.00
Loans to policyholders on this company's policies assigned as collateral		1,581,738.00

BONDS OWNED BY THE COMPANY.

	Par Value.	Market Value.	
New York city 2½ per cent. registered 1909-29	$125,000	$109,375	
New York city 3½ per cent. registered 1920	50,000	50,500	
New York city 3½ per cent. registered 1953	55,000	56,650	
Richmond, Va., 4 per cent. coupon 1920-23-27	11,000	11,990	
Havana Municipal 6 per cent. coupon 1939	2,300	2,484	
Oregon Railroad and Nav. Co. Cons. mortgages gold 4 per cent. 1946	50,000	50,500	
Baltimore and Ohio prior lien gold 3½ per cent. 1925	50,000	48,250	
Missouri, Kansas and Texas first mortgage gold 4 per cent. 1990	50,000	50,500	
Rio Grande and Western first trust mortgage gold 4 per cent. 1939	50,000	50,000	
Reading Company general mortgage gold 4 per cent. 1997	50,000	51,375	
Totals	$493,300	$481,624	$481,624.00
Cash in bank and office			578,604.27
Interest accrued on mortgage loans			145,480.18
Interest due on mortgage loans			2,000.00
Interest accrued on policy loans			16,845.00
Interest due on policy loans			8,943.00
Interest accrued on bonds			761.49
Rents due and accrued			28,790.83
Gross deferred and uncollected premiums less loading thereon.			420,605.25
Aggregate assets			$16,943,076.06

LIABILITIES.

Net present value of all outstanding policies in force on the 30th day of November, 1904, additions thereto, and annuities, computed by the Insurance Department on the Combined and American Experience Tables of Mortality, with 4 and 3½ per cent. interest			$16,888,086.00
Death claims unpaid, not yet due, proofs filed		$31,839	
Death claims unpaid, no proofs filed	$51,277		
Deduct reserves on same	12,700		
		$38,577	
Estimated liability for unreported death claims.		15,000	
Matured endowments unpaid		24,474	
Liability on cancelled policies on which a surrender value may be demanded		1,908	
Total policy claims		$111,798	$111,798.00
Premiums paid in advance			1,576.00
Unearned interest on policy loans			12,550.00
Other liabilities (estimated)			10,000.00
Total liabilities			$17,024,010.00
Excess of liabilities over assets, being an impairment of 165 per cent. of company's capital stock of $125,000			$80,933.94

The last examination of the Washington Life insurance company by this department, prior to the one just concluded, certified to the condition of the company as of December 31, 1899, at which time it was found to be in possession of a surplus as regards policyholders of $732,123.05. Within five years the surplus existing in 1899 has disappeared.

The causes tending to bring about this total disappearance of surplus as between the years 1899 and 1904 are, I believe, fully covered in this report. The time occupied since the examination was instituted some months ago has been made necessary by the care required to be taken to insure accuracy, more particularly in the direction of the recomparisons and revaluations of the company's policies and annuities in force December 31, 1902, December 31, 1903, and also November 30, 1904.

A DEFICIENCY OF OVER $80,000.

The company's last annual statement to the Insurance Department shows an alleged surplus as regards policyholders of $639,159.72. In this is included capital stock of $125,000. The examination just closed shows a deficiency as regards policyholders of $80,933.94. The variation of $720,093.66 occurring within a twelvemonth from the date of the last annual statement is principally due to (1) a reduction of $238,987.46 in the value of the real estate owned in fee, and (2) to ascertaining during the present examination the actual policy reserve December 31, 1903, instead of that then reported by the company, which an inspection of policy registers shows should have been $459,816 greater than the figure extended as a liability on this account in last annual statement. Likewise policy reserve reported on December 31, 1902, is found to be $555,000 less than was produced by a revaluation of the company's outstanding policies at that time, calculated upon the basis of accurate data.

The reduction in value of real estate is the result of the findings of the appraisers of the Insurance Department. The reports of these appraisers are now on file there. In their appraisals of the various premises upon which the company holds mortgages, they find in the case of twenty (20) pieces that loans have been made in excess of two-thirds of the value of the respective parcels as the same are now appraised. I have nevertheless given the company credit for the face value of these twenty (20) loans, upon the theory that while the marginal value of the properties after appraisal falls below the sum required by statute, yet the principal sums of these mortgages are safe.

The ascertained reserve November 30, 1904, $16,888,086, was arrived at in a measure as the result of an estimate. This consisted in increasing the corrected reserve December 31, 1903, by eleven-twelfths of the annual increase in reserve as between December 31, 1903, and December 31, 1904, the latter having been closely approximated. The approximation, I believe, will not be found to vary materially from the actual reserve liability on December 31, 1904, when the same shall have been determined by a valuation of the company's policy and annuity contracts then found to be in force.

GROSS MISMANAGEMENT CHARGED.

The mismanagement of the affairs of this corporation, notably so in the conduct of its agency department, is simply incomprehensible. The sums expended in its almost futile efforts to secure new business to offset the normal termination of its old policies call, I think, for censure. What between commissions on first premiums, further augmented by bonuses, expense allowances, allowances for traveling expenses, agency salaries and clerk hire, office rent of agencies, etc., and various other items of outgo properly chargeable to first year's premiums, the total cost of new business has in some cases reached the figure of 200 per cent. of the initial year's premiums. A continuation of this process through a series of years must, perforce, in view of the meagre results accomplished, ultimately end in the exhaustion of the corporation's surplus as regards its policyholders, and this process did continue until the capital stock of $125,000 became obliterated, upon a conservative though fair valuation of its assets, the reduction in which is confined to the item of real estate owned.

EXTRAVAGANT OFFICE EXPENSES.

This condition of affairs has been further accentuated by the extravagance attending home office expenses. In my opinion, they have been unwarranted, and notably so in the case of the salary of the president of the corporation and also that of his son, the vice president. Their salaries, even in the face of this waste on agency account, were increased; that of the vice president more than doubled within a very recent period, until the combined salaries of these two officers lately approximated $45,000 per annum. The usual dividends to stockholders were continued, dividends to policyholders were increased, and general incoherence seems to have obtained all along the line of management.

As showing some of the methods in vogue at the home office in anticipation of December 31, the following is characteristic of others of their kind: Extract from letter of vice president under date of November 24, 1902, to Blair T. Scott, general manager of agencies: " * * We shall ask you to send us your check to reach us on the 31st Dec. for all advances unsettled with interest, and the same will be met by our check in return, less interest."

An agent is advanced $2,000 during the last two months of the calendar year. Agent agrees to repay this amount by his check, on December 31, with the distinct understanding that the said check shall be held in the drawer of the company's cashier "as heretofore," and returned to him on January 1 following.

FALSIFICATION OF ANNUAL STATEMENTS.

To produce an ostensible excess of assets over liabilities, the publication of such excess as "surplus" in annual statements being imperative, the company by reason of this necessity was finally driven into making false annual returns to the Insurance Department of this State. For the year 1902 policies were withheld from the Insurance Department for valuation by it as required by law, the reserves upon these policies exceeding half a million dollars. The net liability on reserve account escaping

charge for the year 1903 was, as heretofore set forth, found on examination and revaluation to be $459,816.

I am of opinion that this method of misrepresentation in making annual statements began—probably in a more modified degree—as far back as to include the company's statement for the year ending December 31, 1901, attested to under oath by the officers of the company. Be this, however, as it may, it is a fact, conclusively demonstrated by the examination just completed, that for the calendar years ending December 31, 1902, and 1903, the annual returns then sworn to were, in respect to the data furnished the Insurance Department for a correct valuation by it of the company's policies, reversions and annuities then in force, materially false. The method adopted by the home office toward the close of the years last mentioned, in evidencing by its records the light in which the policies not returned for valuation were regarded there, was briefly the following:

A printed circular letter was addressed to agents requesting that they return to the home office all renewals due and unpaid at the end of the year. This in itself was perfectly proper, and is customary among many companies who wish to verify for themselves the previous advices contained in reports of agents that certain premiums theretofore reported unpaid at these agencies were in fact not paid. In response to this request a considerable number of renewal receipts were so returned, the agents indicating those that were to be sent back to them immediately subsequent to December 31, for collection. They composed by far the greater number forwarded to the company in response to its request as stated. Copies of the correspondence in question are herewith transmitted.

The home office adopted a book of record termed a "blotter," in which was entered a seriatim list of the unpaid renewals placed in the company's possession at the end of the year. On its policy register, where a renewal receipt was to be returned to agent for collection, an inconspicuous notation was made upon the recorded policy entry, referring to folio in blotter, so called. The policies were then marked off the valuation registers of the Insurance Department.

METHODS OF MANAGEMENT ILLUSTRATED.

Others were entered therein under the guise of term extensions. The treatment of one of these will serve to illustrate the amount of actual reserve that escaped charge to the corporation on December 31, on these term extensions alone. A policy having a reserve of $800 was issued, say, ten years ago. Policy contains a provision that in the event of a premium being due and unpaid, any dividends which may have accrued and not been used will be assigned toward the purpose of extending policy for such time and amount as are provided for in this policy stipulation. Amount of dividend applicable for use as premium, say $35. Reserve of $800 marked off December 31, and policy returned to Insurance Department for valuation on basis of this dividend premium payment, the difference in the case of this class of entries amounting—as between the actual reserves and term reserves—to $118,000. Actual reserve $120,000, term reserve being but $2,000.

Whatever may have been the exact status on December 31, 1903, of such policies as represented the $460,000 of net reserve liability then escaping charge, speaking generally, they were in the main all in force on the company's records very shortly after the 31st of December of that year. There had been no direct meeting of minds by December 31, as between the company and these policyholders, relating to the final intentions of the latter concerning the payment of the premiums then due. I still speak generally, for, if there were exceptions, they, as usual, but made the rule.

POLICYHOLDERS DECEIVED.

In view of the speedy restoration of these policies immediately succeeding December 1st, as shown by the return of renewal receipts previously sent in by agents in response to company's directions, the agent having requested such return because, in his opinion, the premium would undoubtedly be paid, one is greatly at a loss to discover by what subtle process of reasoning this corporation assumed itself to be vested with the right, as it were, to appropriate to itself even for a day (December 31) the $460,000 of moneys belonging to its policyholders, without their knowledge or consent, which it did do in reporting to this department in a sworn statement that it was not chargeable with a liability to them to the extent of this sum.

There was no close point involved, nor did any question enter into the way in which these policies should be regarded December 31, again I repeat, in view of the manner in which they were regarded by the corporation by its subsequent act in returning to its agents the renewals upon these policies for collection, without further correspondence or comment, when the last day of the year had passed. No thought of lapsing these marked off policies could have been in the corporation's mind. There is no profit in lapses. It assuredly should have bent every effort to hold business already secured, when to procure new business it was in some cases paying as high as 200 per cent. of first year's premiums to obtain it.

Respectfully submitted, ISAAC VANDERPOEL,
Chief Examiner.

SUPPLEMENTAL STATEMENT BY SUPERINTENDENT HENDRICKS.

ALBANY, January 21, 1905.

Since the date of the foregoing report a reorganization of the Washington Life insurance company has been instituted and is now (January, 1905,) being effected.

The members of the old board of directors have offered their resignations and their places are being filled by men prominent in the public life and in well known financial institutions of New York city. The former president of the company has resigned his office and the executive management is now entrusted to Mr. John Tatlock, late associate actuary of the Mutual Life insurance company, of New York, who was elected president on December 30, 1904. Further radical changes in the management are taking place, to the end that approved and proper methods of administration may be instituted and carried out.

The capital stock of the company has been increased to $500,000, the new stock being paid for at a premium of 75 per cent., and the company now possesses a surplus to policyholders of $575,316, on a rigid and conservative basis of valuation of both assets and liabilities.

The agency department of the company which has been justly criticised for inefficient and extravagant management in the past, is being reorganized on the basis of paying only for results which are of value and profitable to the company and essential to its continued progress along safe and conservative lines.

The department is satisfied that it is the aim of the new management to conduct all the branches of the business of this company in such a manner as to fulfill beyond peradventure the contracts entered into with its policyholders and to use all legitimate means to the end that such contrasts may be secured by the policyholders at a cost to themselves fairly comparable with the cost of insurance in other approved companies. The department can state that the new management engages in the task set before it with absolute integrity of purpose and honesty in method and procedure, and fully believes that its plans and aims will result in maintaining this company in the position in which the forty-five years of its history justly entitle it to be placed.

FRANCIS HENDRICKS,
Superintendent of Insurance.

Saved by the Scissors.

LOSSES AND EXPENSES.

The increased cost of repairs in cases of partial losses caused by rules that do not permit a carpenter to put on a yard of paper; to daub on a yard of paint; to stick on a yard of plaster; to nail on a shingle or to do any other than the work prescribed by his guild, makes the cost of repairing a damage that one man could attend to four years ago at a cost of $5, $20 at this time, and while we have nothing to say pro or con on the guild question, as the people pay for all, the loss ratio has increased, and rates must be held to meet the losses.

The expenses of appraising small losses, where a carpenter charges $5 for an hour's work on a $30 damage, also needs more care on the part of the adjuster than is usually given; it appears like a small matter, but on say 1,600 losses which at present rate will be the number in this department for 1904, an odd two and a half each figures $4,000.

Another small leak is on telegraphing, of which the following is a moderate sample:

"Total loss policy No. two million three hundred thirty-two thousand seven hundred seventy-two John Jones."

Seventeen words, which could have been as well told by saying: "Total two three three two seven seven two Jones,"—nine words.

It is not uncommon for the sender to add: "Insured in a hurry, please send an adjuster immediately." The latter is not necessary, as companies are always in a hurry to attend to losses.

Small leaks sink big ships, and no chances should be taken with small leaks that can be stopped.—*Fireman's Fund Record.*

Life Insurance Business in California in 1904.

(Compiled from Returns made to the Pacific Underwriter.)

COMPANIES.	Policies Issued.			Policies Renewed.	Policies in Force December 31, 1904.		Losses Paid.
	No.	Amount.	Premium.	Premium.	No.	Amount.	
Ætna	1.281	$2 196,725	$91,303	$162,372	3.405	$6,430,982	$51,786
Conn. Mutual	112	229,000	8,706	161,922	2,872	6,040,067	121,354
Conservative	8.882	9,043,423	384.126	206,395	0.118	13,721,398	35,648
Equitable	3.270	7.272.650	294,031	1,130,846	14.187	36,227.866	308,784
Fidelity Mutual	132	333,898	11.740	114.571	1,729	4,018.161	19,200
Germania	379	588.000	30,093	141,102	2,048	4,494,702	115,907
Home	189	508,000	18,252	126,521	1,937	3,990,534	49,725
Life Asso. Am.	2	15,000	1,130	.....	2	15,000	.....
Manhattan	168	402,000	17,684	71 377	961	2,368,280	47 895
Mass. Mutual	181	333,500	13,196	54.972	950	1.859.100	28,238
*Metropolitan	3.274	2,565.924	90.791	112,569	5,262	4,502,544	27,207
Minn. Mutual	108	500,208	18 327	16,632	291	989,008	10.000
Mutual	2.270	5,244,499	176,703	1.195,852	15.229	39,131,430	708,891
Mutual B nefit	568	1,530,350	58.334	311,126	3,205	9,288,185	125.611
National, Vt.	285	671,000	25.972	127,432	1,842	4,080,461	34,500
N. Eng. Mutual	589	1,101,750	44.954	295,626	4,855	9,289,725	148,804
New York	4.749	8,586,099	362.875	1,476,297	19.971	44.848,178	464,029
N'western Mut.	1.142	2,503,450	101.746	504,642	836	18,398,280	200,456
N'western Nat.	56	52,000	4,350	17.935	612	951,456	12,500
Security M. Life	30	92,500	2,559	3,491	59	147,771	300
State	178	663.260	22.626	45,900	429	1,954,260	5,000
Pacific Mutual	5.814	4,256,164	203,375	486.177	10.266	15,775,912	185 655
Penn. Mutual	987	2,337,568	100,181	419,756	5,705	14,404,210	85.0 7
Phœnix Mutual	179	402,006	17,332	46.909	869	1,553,250	56,484
Provident Sav.	88	403,250	17,941	64 708	759	2 259,330	30,715
ProvidentL & T.	433	781.032	30,041	53,772	920	1,740,327	8 000
Prudential	694	1,280.376	53,358	99,832	1,791	3,534 976	35,947
Travelers	148	332,500	11,988	78,321	1,147	2,519,686	49,083
Union Central	335	699,716	19.690	98,953	1,274	3,085 482	25 186
Union Mutual	627	794,052	34 429	146,813	3,337	4,934,575	65.006
Washington,	166	404,400	16,879	55 880	921	1,858,270	38,738
Totals	37316	$56,123,294	$2278612	$7,829,701	125096	$254,413,400	3,105,666
1903	30387	$52.319.529	2,234,710	$6 563.727	103735	$239 145.246	2,867.527
1902	22246	41,946.381	1,855,217	5,789,297	84,315	200.412,279	2,898,473
1901	15251	32,950,280	1,362,902	4,879 136	71,800	176,271,625	2,975,897
1900	14087	29,770,386	1,280 618	4,432.794	61,000	157,035.158	2,430 649
1899	10996	24,819,675	1,032 667	3,897.556	52,775	139,064,388	2 487,543
1898	9 443	20,643,675	863 161	2,628 873	47,368	126,529,541	2.471,970
1897	8,677	20,580 6?2	814,780	3.437.677	43,626	121,(08,540	2.068.975
1896	7,531	17,274,667	617,172	3.384 383	41,086	116 772,581	2,102.355
1895	7.648	19,485,780	731.981	3.325,482	37,576	113.751,090	1,972,395
1894	7,740	23,683,175	830,325	3,255,982	37,184	113,602,916	1,943,243

* Ordinary business only. The industrial department of the Metropolitan wrote 44,180 policies for $8 538,328.

Fire Insurance Business in California in 1904.

(Compiled from Returns Made to the Coast Review.)

COMPANIES.	Risks Written	Premiums Received	Losses Paid.	Per Cent. Losses to Pre'ms
Companies of California.				
Fireman's Fund, San Fran.	$18 003,173	$588,457	$199,982	34 0
Home F. and M., San Fran.	12,007,533	219,206	110,253	50.2
Pacific Underw't'rs, San Fran.	5,624,803	89,975	40,448	44.9
Totals	$65,635,509	$897,638	$350,683	39.0
Companies of Other States.				
Ætna, Hartford	$12,168,309	$182,179	$67,722	34.9
Agricultural, Watertown	2,562,044	43,320	16,742	38.6
American, Boston	3,724,773	54 566	23 217	42.5
American Fire, Philadelphia	5,116,054	93 331	39.036	41.8
American, Newark	2,671,395	39,344	20,762	52.8
American Central, St. Louis	3,822,903	59,346	24,598	41.4
Assurance Co. of Amer., N.Y.	284,439	5.564	1,978	35.9
Austin Fire, Austin, Tex.	439.013	7,155	3	....
British American, New York	497.889	7,139	1,193	16.8
Caledonian American, N. Y.	1,407,250	23.566	8,238	35.0
Citizens, St. Louis	3.559 590	55.890	19,482	34.8
Colonial Underwriters, Hart.	3,036,636	51,198	20,410	39.8
Commercial Union Fire, N. Y.	563,691	8,452	6,549	76.6
Concordia Fire, Milwaukee	1,209.999	18.581	8,628	46 6
Connecticut Fire, Hartford	9,470,615	149 221	56.305	37.7
Continental, New York	15.326 899	204,272	48,869	23.0
Delaware, Philadelphia	1 957,804	31,432	15,862	50.4
Dutchess, Poughkeepsie	3,693 138	58,482	29.876	51.0
Equitable F. and M., Prov.	2,073 499	35,553	16,248	45 7
Fire Asso., Philadelphia	6,389 322	94.683	32.622	34.4
Franklin Fire, Philadelphia	5 391,703	88.637	43,462	49.0
German-American, N Y.	11,133,884	172,609	59.317	34.3
Germania Fire, New York	11,592,864	113,929	28,287	24.8
German Alliance, New York	$3 ,270,571	$49,658	$7,115	14.3
German, Freeport, Ill.	12,537,307	181,258	56,525	31.2
German Fire, Peoria, Ill.	369,422	5,944	1,169	19.6
Girard F. and M., Phila.	3,195.800	48,203	13,978	29.0
Glens Falls, Glens Falls	5,349.710	82.593	26,820	32.5
Globe and Rutgers, N. Y.	1,225,725	23,235	15,58	67.0
Hanover Fire, New York	4,526,730	71,664	33 632	46.9
Hartford Fire, Hartford	20,364 561	297.967	100,537	33.7
Home, New York	18,097,238	302.174	152,086	50.3
Indemnity Fire, New York	1,123.442	17,147	9 198	53.6
Ins. Co. of North America	11,172 402	168,661	49,780	29.5
Mercantile F. and M., Boston	1,355,089	22,347	7,830	35.1
Michigan F. and M., Detroit	1,467,247	28.370	11,102	39.2
Milwaukee Mechanics, Mil.	12,859,862	169,796	54,011	31.8
National Fire, Hartford	6,814,896	120,466	67,990	56.4
National Union, Pittsburgh	3,648,420	56,358	17,389	30.8
New Hampshire, Manchester	2,304,037	37,521	14 920	39.7
New York Underwriters	11,092.387	167,561	49,176	29.3
New York Fire, New York	1,140,261	18 257	8.358	45.7
Niagara Fire, New York	6.681,223	102,600	36,205	35.3
Northwest'n Nat., Milwaukee	8,527,494	112,984	45 278	40.1
North German, New York	1,183.791	17.458	10.422	59.7
Orient, Hartford	2,680.390	36,145	14,932	41.3
Pennsylvania Fire, Phila.	10,620,965	166,963	66,473	39.7
Phenix, Brooklyn	8 913,846	131.308	43.196	32.8
Phœnix, Hartford	7,172,131	111.955	37.941	33.8
Philadelphia Underwriters	2,021.585	34 909	15,560	44.5
Pelican, New York	870 292	14,477	9,799	68.0
Providence-Washington, Prov.	2 819,818	47,852	27,855	58.2
Queen, New York	3,893,271	118,412	48,699	41.1
Rochester German, Rochester	2.370.030	37,248	10,215	27.4
Springfield F. & M., Springfi'd.	5,948,322	103.857	51,576	49.6
Spring Garden, Philadelphia	1.452.233	23,149	8,732	37.8
St. Paul F. and M., St. Paul	3,536,031	52,679	24,318	46.2
Teutonia, New Orleans	837.551	14,451	6.172	42.7
Traders, Chicago	11,503,260	164,681	41 854	25.4
Union, Philadelphia	1,189.933	16,382	6 993	42.6
United Firemen's, Phila.	2,168,061	31,656	7,630	24.1
Victoria Fire New York	371,674	6,078	3.680	61.3
Westchester Fire, New York	4,947.797	74,341	24,784	33.3
West'n Underwrit'rs, Chicago	4,396,747	62,719	20,143	32.1
Williamsburgh City, Bklyn.	5,472,913	80.688	30,134	37.3
Totals	$329,888,148	$5,030,620	$1,879,193	37.3
Foreign Companies.				
Aachen & Munich, Aix-la-Chap	$10,328,999	$157,351	$66,000	41.9
Alliance, London	7,577,193	110,766	56.761	51.3
Atlas, London	9,515,671	135,673	36,646	27.0
Austrian Phœnix, Vienna	5.117,372	72,012	10,720	14.8
British America, Toronto	4 552,220	81.623	42 394	51.9
Caledonian, Edinburgh	8,657 043	130,417	29.9 2	22.8
Commercial Union, London	10,908,202	164,083	113,987	69.5
Hamburg-Bremen, Hamburg	9 278,259	134,147	41,838	31.2
Law Union & Crown, London	4,336 382	65,0 7	22.338	34.3
Liv. and London and Globe	20,066 4 9	266,825	87,119	32.6
London Assur. Corporation	14,348,805	203,809	63,145	30.9
London and Lancashire, Liv.	18,710,104	260,483	69.046	26.5
Manchester, Manchester	4,467,771	67,236	27,137	59.7
Netherlands, The Hague	457 080	7.546	12.474	165.3
New Zealand, Auckland	5,773,195	86,839	34,920	40.2
North British and Mercantile	9,601.913	138,515	40,910	29.6
North German, Hamburg	7.884,976	110,636	42,587	38.5
Northern, London	14,407,585	168,054	56,465	33.6
Norwich Union, Norwich	7,165.105	122,452	45.309	37.0
Palatine, London	6.600.330	95 991	56,520	58.8
Phœnix, London	8 300,934	135.952	71,391	52.5
Prussian National, Stettin	4.327,543	67,397	25,524	37.9
Rhine & Moselle, Strasburg	8,665.882	109,433	19,656	19.7
Royal, Liverpool	20,888,327	281,893	113,752	40.3
Royal Exchange, London	12,683 945	178,492	54,991	30 8
Scotch Und'rwr's, Edinburgh	13,880	234	.....	....
Scottish Union and National	5,709.275	86.853	31,401	36.1
State Fire, Liverpool	3,262.283	48,017	13,175	27.4
Sun, London	9,427.054	156.864	79,040	50.4
Svea, Gothenburg	6,513,066	119,370	63.806	53.4
Transatlantic, Hamburg	11,021,167	153.209	70,375	45.9
Union, London	7.848,936	117,804	48,188	40.9
Western, Toronto	8,626,415	146,421	63.565	43.4
Totals	$286,443.310	$4,181,422	$1,611.102	38.5
Grand Totals, 1904	$681,966,967	$10.109,680	$3.840,978	37.9
" " 1903	524,551,603	8,292.803	4.360.921	52.5
" " 1902	482,908,036	7,360,222	2.686.087	36.7
" " 1901	530,614.567	7,669,882	2.394,541	31.2
" " 1900	389,177,568	5.795.503	2.430,241	42.7
" " 1899	380,501,771	5 612,697	2,923,999	52.1
" " 1898	452,645,344	6,651,945	3,562,703	53.5
" " 1897	325,296 808	4,756 669	2,619.417	55.1
" " 1896	335,098,638	3,802,197	2,589 517	68.1
" " 1895	359,142,069	4,704,584	2,850 672	60.6
" " 1894	377,836.494	6,337.060	2.815,670	44.4
" " 1893	388 435 963	6.782.188	2.668,721	39.3
" " 1892	398,623,480	7,007,466	2,727,908	38.9
" " 1891	378,599,165	6 669.998	2,408,156	37.1
" " 1890	368 699.661	6,304,813	2,755.2 8	43.7
" " 1889	352 290.603	6,160,736	2.573.250	41.7
" " 1888	352.831.786	6,097,041	3,048.030	50.0
" " 1887	326,711,137	5,595,315	2,108,262	35.4

(Continued on page 80.)

COMPANIES.	Risks Written	Premiums Received.	Losses Paid.	Per Cent. Losses to Pre'ms
Grand Totals, 1886	$378 521,499	$5 185,772	$2,654.371	51.2
" " 1885	282,256 308	4,541,268	2,033.215	44.7
" " 1884	295,925,982	4,484,768	1,279 489	28.5
" " 1883	278 429,534	4,209,697	1 668,836	39.6
" " 1882	268,596,247	4,038,581	1,612,968	39.6
" " 1881	262,687,236	3,821,627	1,281,026	33.5
" " 1880	252,179 530	3,620,267	1,175.671	32.5
" " 1879	228,964 659	3,433,004	1,110,344	31.1
" " 1878	238 835,031	3,534,665	921.395	26.1
" " 1877	256,470.640	3,928,744	1,224,754	31.2
" " 1876	235,939,742	3,703 179	1,261.334	34.0
" " 1875	226 942,043	3,581 436	1,092,535	30.6
" " 1874	184,012,026	3,118.353	758,389	25.5
" " 1873	148,345,589	3,149.050	771.018	25.0
" " 1872	200,178,206	2 388.511	832 185	34.0
" " 187	190,150,420	1,603,976	1,307 338	77.0

FIFTY-THIRD ANNUAL STATEMENT OF THE

Massachusetts Mutual Life Insurance Company,

SPRINGFIELD, MASS.

YEAR ENDING DECEMBER 31, 1904.

RECEIPTS IN 1904.

Premiums		$6,615,038.29
Interest and Rents		1,502,069.09
Other Income		93,531.78
Total Receipts		$8,210,639.16

DISBURSEMENTS IN 1904.

Death Claims (less $80,500 reinsurance), and Matured Endowments (less $3,500 reinsurance)	$2,141,207.86	
Surplus returned to Policyholders in Dividends	941,826.59	
Surrendered and Canceled Policies	526,350.44	
Total Payments to Policyholders		$3,609,384.89
All other Disbursements		1,526,137.48
Total Disbursements		$5,135,522.37

ASSETS (MARKET VALUE).

First Mortgage Loans on Real Estate (value of property mortgaged, $40,328,563; fire insurance as additional collateral, $13,748,034)	$13,996,175.35	
Loans secured by Assignment of Company's Policies (reserve value of policies assigned $6,248,886)	3,594,646.00	
Stocks and Bonds	16,053,237.50	
Real Estate (ledger value), including Home Office Building	392,122.15	
Premium Notes on Policies in Force	778,297.15	
Deferred Premiums and Premiums in Course of Collection (reserve charged in liabilities), net	810,254.20	
Interest and Rents Due and Accrued (due, $966.25; accrued, but not due, $506,738.74)	507,704.99	
Cash on hand and in Banks	938,860.23	
Total Assets		$37,071,297.57

LIABILITIES.

Reserve, Massachusetts Standard	$33,005,506.00	
Reported Death Claims and Matured Endowments Awaiting Proofs, $95,099.62; in Course of Settlement, $27,525.30	122,624.92	
Present Value of Payments not yet due under Instalment Policies	220,000.25	
Unpaid Dividends (due, $1,932.33; to become due, $143,719.24)	145,651.57	
Accumulated Dividend Fund (including $21,614.85 interest) subject to the order of the insured	234,561.09	
Premiums Collected, but not yet due	23,782.28	
Unpaid Expenses, Bills not presented	18,548.43	
Total Liabilities		33,770,674.54
Surplus, December 31, 1904		$3,300,623.03

Number of Policies issued in 1904, 13,325, insuring	$26,851,531.00	
Number of Policies in Force December 31, 1904, 80,375, insuring (including reversionary additions)	182,874,119.00	

GAINS FOR THE YEAR.

Increase in Amount of Insurance in Force	$13,205,663.00
Increase in Assets	3,480,298.00
Increase in Surplus	653,132.00
Increase in Income	464,372.00

JOHN A. HALL, President.
HENRY M. PHILLIPS, Vice President.

NEW YORK OFFICE, 71 BROADWAY. **GEO. J. WRIGHT, Manager.**

"OLD AND TRIED."

1849. **1905.**

Glens Falls Insurance Co.

GLENS FALLS, N. Y.

ABSTRACT FROM 55TH ANNUAL STATEMENT.

JANUARY 1, 1905.

Total Cash Assets		$4,176,096.25

LIABILITIES.

Capital Stock	$200,000.00	
Unearned Premium Fund, N. Y. standard	1,401,883.57	
Unpaid Losses, December 31, 1904	77,529.60	
All other Liabilities, Actual and Contingent	3,500.00	
		1,682,913.17
Net Surplus over all Liabilities		$2,493,183.08

GENERAL STATEMENT FOR THE YEAR.

Net Earnings of Assets and from Profit and Loss		$231,277.63
Premiums exceed Losses Paid, Taxes and Expenses		9,064.36
Appreciations and Decrease in Other Liabilities		40,573.10
Aggregate Gain		$280,915.09
Increase in Unearned Premiums	$121,867.54	
Dividends Paid During 1904	120,000.00	
Increase in Unpaid Losses	21,741.56	
		263,609.10
Increase in Net Surplus		$17,305.99
Deficit in Underwriting Account for the Year		$134,544.74

J. L. WHITLOCK, Manager Western Department, Chicago, Ill.
E. G. SEIBELS, Manager Southern Department, Columbia, S. C.
TREZEVANT & COCHRAN, General Agents for Texas, Dallas, Tex.
G. L. MEYERS & CO., General Agents for Arkansas, Little Rock, Ark.
E. E. POTTER, General Agent Pacific Coast, San Francisco, Cal.

ANNUAL STATEMENT OF THE

Granite State Fire Insurance Company

PORTSMOUTH, N. H.

December 31, 1904.

ASSETS.

Bonds and Stocks	$553,131.00
Real Estate Owned by the Company	28,500.00
First Mortgages on Real Estate	8,000.00
Cash in Bank and Office	50,053.23
Interest Accrued, but Not Due	3,432.30
Agents' Balances, Net	42,582.28
Due from Other Companies	300.63
Total	$685,999.44

LIABILITIES.

Unpaid Losses		$37,053.96
Reserve for Reinsurance		314,795.64
All Other Liabilities		6,418.42
Total Liabilities		$358,268.02
Capital Stock Paid Up	$200,000.00	
Net Surplus Over All Liabilities	127,731.42	
Surplus as Regards Policyholders		$327,731.42

CALVIN PAGE, Pres. EZRA H. WINCHESTER, Vice Pres.
JUSTIN V. HANSCOM, Treas. ALFRED F. HOWARD, Sec.
JOHN W. EMERY, Asst. Sec.

STATE OF NEW HAMPSHIRE—INSURANCE DEPARTMENT.

CONCORD, N. H., January 14, 1905.

THIS IS TO CERTIFY that on the fourteenth day of January, 1905, I completed a personal examination of the financial standing and condition on the thirty-first day of December, 1904, of the Granite State Fire Insurance Company, of the city of Portsmouth, New Hampshire, having appraised their securities and assets and computed their liabilities, as set forth in the records of the office of the company and in the accounts of its Treasurer. A summary of the result is as follows:

Total Amount of Assets	$685,999.14
Total Amount of Liabilities, except Capital	358,268.02
Capital Stock Paid Up in Cash	200,000.00
Surplus above Capital Stock and All Liabilities	127,731.42

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Insurance Department, this fourteenth day of January, A. D. 1905.

[Seal]

JOHN C. LINEHAN, Insurance Commissioner.

Liverpool & London & Globe Ins. Co.,

ESTABLISHED, 1836. ENTERED THE UNITED STATES, 1848.

NEW YORK OFFICE:
WILLIAM & PINE STREETS.

NEW ENGLAND, NEW YORK, PENNSYLVANIA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH AND SOUTH CAROLINA.

H. W. EATON, Resident Manager.
GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Superintendent.

CHICAGO OFFICE:
203—205 LA SALLE STREET

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, COLORADO, DAKOTA, KANSAS, NEBRASKA, MONTANA, UTAH, WYOMING AND NEW MEXICO, INDIAN AND OKLAHOMA TERRITORIES.

W. S. WARREN, Resident Secretary.
GEO. H. MOORE, J. V. THOMAS, } Assistant Secretaries.

NEW ORLEANS OFFICE:
Corner CARONDELET AND GRAVIER STREETS.

LOUISIANA, MISSISSIPPI, ALABAMA, GEORGIA, FLORIDA, TEXAS.

CLARENCE F. LOW, Resident Secretary.
J. G. PEPPER, Assistant Secretary.

SAN FRANCISCO OFFICE:
422 CALIFORNIA STREET.

CALIFORNIA, NEVADA, OREGON, WASHINGTON, IDAHO, ARIZONA

CHARLES D. HAVEN, Resident Manager.
C. MASON KINNE, Assistant Secretary.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y

Telephone: 3894 John.

FORTY-FOURTH YEAR.

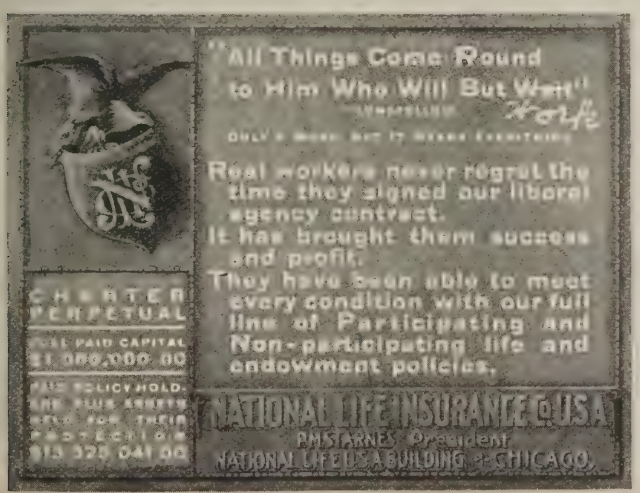
National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.



INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Sec'y.

Agencies in all the principal cities of the United States.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1904, $834,310

CHAS. LYMAN CASE, Manager.

4 PINE STREET, - - - - - NEW YORK.

THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT JULY 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,021,650.85
Special Surplus Fund	100,000.00
Surplus and Undivided Profits	462,362.78
Total Assets	$3,284,013.63

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, Gen'l Counsel.

Bankers Life Insurance Company
of the City of New York.
Foster M. Voorhees, President.
Issues the most liberal policies,
Offers the best renewal contracts to Agents of
Standing and Responsibility
For particulars apply
Home Office, 31 Nassau St., N.Y. City.

The Columbian National Life Insurance Company
BOSTON, MASS.
INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.
PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

What is the use of saying "the best company," or "the strongest company," or "the largest company"? They all say these things.
We say simply
The Penn Mutual Life Insurance Co.
OF PHILADELPHIA. Organized 1847.
That tells the whole story

"The Leading Fire Insurance Company of America."

Incorporated 1819. Charter Perpetual.

Cash Capital,	$4,000,000.00
Cash Assets,	15,814,054 98
Total Liabilities,	5,367,203 89
Net Surplus,	6,446,851 09
Surplus as to Policyholders,	10,446,851 09
Losses Paid in 86 Years,	99,899,109 49

WM. B. CLARK, President.
W. H. KING, Secretary.
A. C. ADAMS, HENRY E REES, } Assistant
C. J. IRVIN, A. N. WILLIAMS, } Secretaries.

WESTERN BRANCH, Traction Building, Cincinnati, O.
KEELER & GALLAGHER, General Agents.

NORTHWESTERN BRANCH, Omaha, Neb.
WM. H. WYMAN, Gen. Agent. W. P. HARFORD, Ass't Gen. Agent.

PACIFIC BRANCH, San Francisco, Cal.
BOARDMAN & SPENCER, General Agents.

INLAND MARINE DEPARTMENT,
CHICAGO, 145 La Salle St. NEW YORK, 50 and 52 Pine St.
BOSTON, 95 Kilby St. PHILADELPHIA, 226 Walnut St.

Established 1782.
Phœnix Assurance Company, Ltd.,
OF LONDON.
FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.
Head Office for the United States, 47 Cedar St., N. Y.
A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, JR., Sec.

1851 Phoenix Mutual Life Insurance Company 1904
OF HARTFORD, CONN.,
Issues every Desirable Form of Policy known to modern Life Insurance.
The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.
Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.
JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

SAFETY FUND INSURANCE.
NIAGARA
Fire Insurance Company
OFFICE: 135 & 137 BROADWAY. OF NEW YORK.

For a DEFINITE PROMISE to PAY, well defined, no experiment and taking no chances that technical legal definitions of what constitutes an accident will be used to defeat claims, BUY YOUR INSURANCE in and SELL the policies of
"THE CENTRAL," of Pittsburg, Pa.
Its management will tell you in YES or NO answers what it covers and what it does not cover. AGENTS WANTED.
For particulars address **The Central Accident Insurance Co., Pittsburg Pa.**

The Preferred Accident Insurance Co.
OF NEW YORK.
Accident Policies. Health Policies.
Large Benefits, Low Rates, Best Commissions
January 1, 1904.

Assets,	$1,152,330
Surplus,	439,609

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1904

On the 1st of March, 1904, **The Connecticut Mutual** reached a stage in its history very interesting to its management and its members, and one which is unique in the history of American Life Insurance.

On that date, but little more than fifty-eight years from its organization, it had received from its members in premiums the sum of $228,376,268, and had returned to them or their beneficiaries $228,724,073, or $347,805 more than it had received from them.

The Connecticut Mutual is the first American Life Insurance Company to return to its members one hundred per cent. of its receipts from them. And it holds besides $65,000,000 of assets, with a surplus of over $4,600,000, to protect over 70,000 policy-holders insured for over $166,000,000.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1905

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President
EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer.
BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary.
T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

COMMERCIAL UNION ASSURANCE CO

LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York.

The Massachusetts Mutual
Life Insurance Company,

INCORPORATED 1851.
SPRINGFIELD, MASS.

ASSETS—January 1, 1904	$33,590,999.39
LIABILITIES	30,943,508.01
SURPLUS	2,647,491.38

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Vice-President.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager of Agents for Southern New York.

FORTY-FIFTH YEAR

HOME LIFE
INSURANCE COMPANY
OF NEW YORK.

GEORGE E. IDE, President.

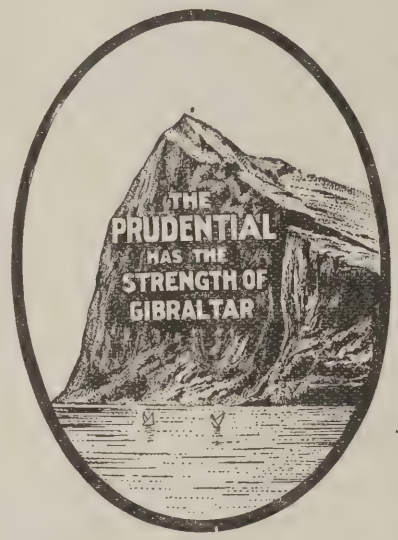
Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036 00
Contingent Fund,	$228,211 31	
Net Surplus,	1,134.104 25	1,362,315.56
Insurance in Force,		74,892,289 00

THE PRUDENTIAL

STRONGER FINANCIALLY, AND IN THE CONFIDENCE OF THE PUBLIC, THAN EVER BEFORE.
A YEAR OF GREATEST GAINS IN PROGRESS, SECURITY AND USEFULNESS.

Twenty-ninth Annual Statement,

JANUARY 1, 1905



ASSETS

BONDS AND MORTGAGES, 3,309 All First Liens on Property, valued at	$40,882,977.19	$15,682,358.73
REAL ESTATE owned by Company,		12,494,957.86
RAILROAD BONDS,		27,681,596.87
MUNICIPAL AND MISCELLANEOUS BONDS,		10,141,196.00
UNITED STATES GOVERNMENT BONDS,		105,375.00
NATIONAL BANK AND TRUST CO. STOCKS,		4,200,400.00
Total Market Value of above Bonds and Stocks	$42,128,567.87	
Total Cost Value of above Bonds and Stocks	40,697,570.44	
INCREASE IN VALUE OF BONDS & STOCKS OVER COST	$1,430,997.43	
CASH IN 259 BANKS AND TRUST COMPANIES throughout the United States, and cash in office ($6,154,811.25 on interest)		6,832,683.09
INTEREST AND RENTS, due and accrued,		641,775.85
LOANS ON COLLATERAL SECURITIES,		5,665,100.00
Bonds and Stocks, having Market Value of	$7,549,322.00	
Excess of Market Value over amount Loaned, showing margin of security of	1,884,222.00	
LOANS TO POLICYHOLDERS, On the security of their Policies—the Reserve Value on their Policies being	$4,427,238.00	2,427,950.12
SEMI-ANNUAL AND QUARTERLY PREMIUMS not yet due, and Premiums in course of collection (Reserve charged in Liabilities)		2,888,911.65
TOTAL ASSETS,		$88,762,305.17

LIABILITIES

RESERVE, Legal and Special, Amount held to Protect Policy Contracts,	$73,954,919.00
ALL OTHER LIABILITIES, Policy Claims, including those in process of adjustment; Premiums paid in advance; Unearned Interest on Policy Loans; Bills awaiting presentation for payment, etc.	1,481,519.84
Surplus to Policyholders,	13,325,866.33
TOTAL LIABILITIES,	$88,762,305.17

Paid Policyholders during 1904, over **13 Million Dollars**

Total Payments to Policyholders, December 31, 1904, over **92 Million Dollars**

Increase in Assets, over **16 Million Dollars**

Cash Dividends and other concessions, not stipulated in original contracts, and voluntarily given to holders of old Policies, to date, over **5 Million Dollars**

Number of Policies in force, nearly **6 Million**

Increase in Number of Policies in force, over **One-half Million**

Life Insurance Issued and Paid for During 1904, Over 312 Million Dollars

LARGEST IN THE HISTORY OF THE COMPANY

Over One Billion Dollars

LIFE INSURANCE IN FORCE

Home Office: Newark, N. J.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

JOHN F. DRYDEN, President.

INCORPORATED AS A STOCK COMPANY BY THE STATE OF NEW JERSEY

PRUDENTIAL AGENTS ARE MONEY MAKERS. OPEN TERRITORY FOR ENERGETIC MEN

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. SATURDAY, FEBRUARY 4, 1905. No. 5.

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IN his annual address the president of the Connecticut Mutual Life Insurance Company repeats, with his old cogency and earnestness, his contention that the insurance of lives is the true and only function of the life insurance company. His company has been founded upon and built up in strict adherence to the principle of pure insurance for the insured. If the volume of its business is not as great as that of some of its older and younger competitors, it is surpassed by none in the results of its service. The summary of fifty-nine years' operations shows that the Connecticut Mutual Life Insurance Company has received from its policyholders and their beneficiaries $232,759,264, and returned to them $234,353,489, or $1,594,225 more than the amount received from them, with assets in hand of $65,224,842 and surplus of $4,828,697. A career so beneficent and honorable justifies the eulogy which Mr. Hayden pronounced upon this company years ago in these columns and which we have taken occasion to recall with each of the added years: "On the whole, we do not know of any life insurance company which has so entirely filled the measure of what a life insurance company should be as this modest Connecticut corporation, which dares to be great only when greatness is also righteousness."

IN commenting on the decision of the United States Supreme Court in the Beef Trust case, Judge Grosscup, who granted the original injunction, is reported as saying that he thought "it effectually cleared the decks for what would be the next really great national movement—the organization and supervision by the nation itself of the great corporations of the future"; that is, of corporations engaged in interstate commerce. In view of this indication and also of the forthcoming passage by Congress of the bill to regulate railroad rates, it may be seriously doubted if fire underwriters will feel inclined to give their support to the movement to make insurance interstate commerce. The Townsend-Esch bill, which has been favorably reported in the House of Representatives, empowers the Interstate Commerce Commission, which is enlarged from five to seven members, to declare any existing passenger or freight rate unreasonable or unjustly discriminatory, and to fix a just and reasonable rate, which becomes operative thirty days after notice has been given. Appeal may be made within sixty days to a "court of transportation," which is created by the bill. We suspect that the transition would be short and easy from making rates for railroads to making them for fire insurance, if the latter were also covered by the powers of the Interstate Commerce Commission. The temptation to do it, under authority of Congress, would certainly be strong, considering the flood of complaints which would naturally pour in from all quarters whenever the companies were constrained to advance their rates. So long as fire insurance is not commerce, according to the dictum of the Supreme Court of the United States, it is safeguarded against Federal rate making. But should that protection be removed, fire insurance might find itself in the present helpless position of the railroads.

THE fire insurance companies are still in doubt, apparently, about the course to take regarding the Arkansas law to exclude them from the State, and the Eastern Union this week referred the matter to a committee to procure an opinion upon the constitutionality of the law. From Little Rock comes the statement that local attorneys have advised the agents that the extra-territorial feature of the law will not "hold water," and also that the Governor is afraid of the action of the Supreme Court of the State. It may be remembered that in his canvass for renomination last summer Governor Davis was opposed by one of the present justices of the Supreme Court, who not only took issue with him on the extra-territorial question, but knocked him down in a personal encounter at the hustings, and also that in his message to the Legislature the Governor threatened the Supreme Court with the vengeance of his political party if it invalidated the King law. This may be taken as an indication that the underwriters might appeal to that court with some confidence. At any rate it is worth trying; but if a decision cannot be reached by March 23, when the new law takes effect, the companies must be ready to close up their business in the State, for, *ipso facto*, they are fired out. Meanwhile, the most recent deliverance of the remarkable Davis is interesting. He has written a defense of himself and his law in the Little Rock *Gazette*, in which he makes the following allusions to the insurance part of the game:

> More fuss is being raised just at present by the Fire Insurance Trust than any other. They are attempting to scare the business interests of the State, and they attempt to make us believe that if they withdraw from the State our property will be uninsured, and if a fire occur a total loss will be occasioned. This, in my judgment, is mere bluff and braggadocio. * * I would shut the Beef Trust, the Standard Oil Trust, the Tobacco Trust and the Insurance Trust out of Arkansas if the courts of the country would sustain me. * * The only question remaining is, "Do the courts of this State and the officers of this State desire to help in this reformation that has been demanded by their people?" Some may say that it will work great hardships. For the time being it may work some hardships, but eventually we will bring these corporations to their knees and have them begging to do business in Arkansas upon fair terms.

It is a waste of time to comment on such perverseness. The state of the case is that nothing remedial is to be looked for from this donkey Governor and his Legis-

lature of sheep, and that the insurance companies will have to rely upon the courts for the right to transact business in Arkansas under a State license.

On December 15 last Mr. Graham H. Brewer, vice president and secretary of the Washington Life Insurance Company, made the following statement to the public press:

With reference to the rumors which have been circulated within the past few days concerning the Washington Life insurance company, we have to say to the public and to our policyholders that the Washington Life is now and always has been amply able to protect its policyholders in every way, and is in good and stable condition and fully able to meet its obligations. The New York Insurance Department is now making its customary examination of this and other life insurance companies of this State. The examination of this company has not been completed and it is not proper for us to discuss further the matter while the examination is pending. Our consulting actuary, David Parks Fackler, who has just finished a complete examination of the company, certifies that we are in solvent and sound condition.

Mr. Brewer added personally, "You can take this positively. The company is in perfect condition. It has a large surplus and unimpaired assets. These rumors that have been floating around are false." At the time Mr. Brewer was giving these assurances to the newspapers, on the authority, as he claims, of Consulting Actuary Fackler, Mr. Vanderpoel, the examiner for the insurance department, was writing his scathing report on the condition of the company, which he declared was then impaired to the extent of $80,933.94. Our purpose is not to call attention to Mr. Brewer's misplaced confidence, nor to the extraordinary discrepancy between the findings of Mr. Fackler and Mr. Vanderpoel, but to the declaration made by our lynx-eyed contemporary, the *Vigilant*, whose means of inside information are famed, that the Washington Life paid $10,000 to a consulting actuary for "recent services rendered." If that large amount of the policyholders' money was paid Mr. Fackler for the report mentioned by the late vice president, they surely have the right to a copy of it for perusal, and we suggest to President Tatlock that, as an important part of the record of the case, it should be published.

In February, 1877, Deputy Insurance Superintendent John A. McCall, who had recently completed an examination of the Security Life and Annuity Company, of New York, appeared, in obedience to summons, before the grand jury in New York, and on his testimony the president, vice president, actuary and secretary of the company were indicted for perjury in falsely swearing that the annual reports of its condition made by the company to the State Insurance Department were true. Subsequently the president, secretary and actuary of the Continental Life, of New York, and the president and secretary of the American Popular Life, of New York, were indicted for the same offense. Several of the indicted officials fled the country, but President Robert L. Case, of the Security Life; President Thomas S. Lambert, of the American Popular Life, and Vice President Thomas R. Wetmore, of the former company, were tried, convicted and sentenced, the first two to five years each, and Wetmore to one year imprisonment at hard labor in the State penitentiary. Wetmore served his term. Case and Lambert, after languishing in the Tombs for over a year, were released on bail. Section 96 of the Penal Code of this State provides that any person who "swears, or affirms that he will declare, depose or certify, that any testimony, declaration, deposition, certificate or affidavit, or other writing, by him subscribed to, is true, on any occasion in which an oath is required by law or may be lawfully administered, and who on such occasions wilfully and knowingly testifies, declares, deposes or certifies falsely in any such matter, or states in his declaration, deposition, affidavit, or certificate any material matter to be true which he knows to be false, is guilty of perjury." Section 106 of the Penal Code provides for the punishment of perjury by declaring that "in any case other than that by an indictment for felony the punishment is imprisonment for a term not exceeding ten years." Examiner Vanderpoel, in his report upon the case of the Washington Life says: "It is a fact conclusively demonstrated by the examination just completed that for the calendar years ending December 31, 1902, and 1903, the annual returns then sworn to were in respect to the data furnished the Insurance Department for a correct valuation by it of the company's policies, reversions and annuities then in force, materially false." *Verbum sat.*

Facts and Opinions.

The **Berkshire Life insurance company,** of Pittsfield, Mass., founded and conducted under State laws universally acknowledged as standard in affording protection to policyholders, is conducted by officials of recognized experience and exponents of all that is "safe and sane" in life insurance. The Berkshire Life has this week made public its fifty-third annual statement, which shows that on December 31, 1904, the company had total assets of $13,784,253, reserves of $12,602,686, and surplus of $1,016,037. In the year 1904 the company wrote $6,756,511 of new insurance, making the total on its books at the year's end $62.904,722, a protection covering 24,671 policies. The surplus within the year showed the remarkable increase of 25 per cent. or $197,194. The assets in the same period advanced $1,090,549. Since organization the company has received from policyholders $40,125,081, and full evidence of its fidelity to that trust is found in the total of payments made to policyholders during its corporate existence, which is more than half of its income from all sources in the same time, and which is in total $27,069,044, divided as follows: Death losses, $10,610,159; matured endowments, $3,459,500; dividends, $5,780,932, and surrender values (paid to policyholders on lapsed and surrendered policies under the Massachusetts law), $7,218,452. The following five year comparative table shows that the company's progress has been steady and substantial:

Income.	
January 1, 1905	$3,110,055.63
January 1, 1900	2,319,243.18
Gain	$790,812.45
Assets.	
January 1, 1905	$13,784,252.81
January 1, 1900	9,379,205.57
Gain	$4,405,047.24
Surplus and Reserve. (Mass. Standard.)	
January 1, 1905	$13,618,723.00
January 1, 1900	9,306,337.56
Gain	$4,312,385.44
Assured Sum.	
January 1, 1905	$62,904,722.00
January 1, 1900	50,105,388.00
Gain	$12,799,334.00
Income during five years	$14,087,911.71
Paid to Policyholders during five years	7,306,283.81
Premiums received since organization	40,125,081.34
Payments to Policyholders, and Assets now held for their Benefit	40,853,296.56

The general account of the company since it began business shows that the funds now held in reserve for the policyholders,

together with the amounts that have been paid to them during the company's life so far, largely exceed the total sum of premiums paid in by policyholders during the same time. This fact in itself is the greatest tribute the company's officers could have. That President James W. Hull, as executive head, has devoted himself conscientiously and prudently to furthering the interests of his policyholders is highly apparent. The company has an able and devoted field staff which have contributed their share to the upbuilding of the company. Mr. John H. Robinson, of 253 Broadway, is general agent for New York and New Jersey.

From the report of the directors of the **New England Mutual Life insurance company,** presented at the annual meeting last Monday, we extract the following data: "The condition of the company continues to be a subject of congratulation, and its prospects are full of promise of success and usefulness. The progress of the company from infancy to manhood is a subject of contemplation. The directors of that early day (1844) reported that there was on hand a fund of $72,162.20, 'which was an auspicious beginning, and that a much larger amount of business might have been done by accepting lives with less discrimination, but it is apprehended that the actual condition and prospects of the company would not have been thereby improved.' Since the date of the first annual report the company has had an experience of sixty-one years—far more than the average lifetime of man—during which period it has paid to its policy holders $92,450,-296.82, and presents at the close of the past year assets amounting to $38,324,422.73, against which the company has liabilities, present and future, amounting to $670,366.73, leaving a balance of $37,654,056. From the above amount of net assets is to be deducted the reserve, computed by the company's actuary, Herbert B. Dow, at $33,967,929.75, which is thoroughly in agreement with the statement furnished the company by the State Insurance Department. The number of policies issued and paid for during the past year was 9,100, amounting to $19,049,226. The total amount of outstanding insurance is $155,182,074. The death and endowment claims paid in 1904 amounted to $2,350,056.80. In addition to the usual annual audit given to the affairs of the company by a committee of the board of directors, the State authorities have made their triennial examination and have found the most satisfactory results attending their investigation. Thus from two independent sources of examination have the affairs of this company been found to be of the most exact and thorough description." Nathaniel J. Rust, Gordon Abbott and Reginald Foster were elected directors for three years, and on Tuesday the board re-elected the entire staff of officers of the company.

The **Germania Life** insurance company, of New York, presents with its **forty-fifth annual statement,** just issued, an explanation which, in these days of ragings about "frenzied finance," cannot but make the policyholders in that carefully conducted company feel that the one aim of the Germania is "assurance made doubly sure." The company explains that since the amendment in 1901 of the New York law concerning the valuation of policies reducing the interest rate to 3½ per cent., the company has applied that valuation to all its policies (except some which are valued even lower, at 3 per cent.), although the law applies such valuation only to policies issued since January 1, 1901. The difference between these two valuations, amounting to $839,312, has been set apart as an additional reserve fund. According to the present legal standard, the liabilities amount to $29,360,065, which leaves guarantee and dividend funds amounting to $4,-744,717. The total assets of the company are $34,104,782; last year they were $32,476,116. Its general surplus now is $1,899,520; in the statement of last year it was $1,892,959. During the past twelvemonth the company has introduced new and liberalizing features in certain of its policies, and the results are shown in the sum total of insurance paid for in 1904 of $14,488,492. Since the company was incorporated in 1860 it has paid to policyholders $56,241,849, of which $29,349,-765 was in death claims alone. In 1904 the company paid to policyholders $3,028,513, a sum which is more than half of the company's income during the same period, which was $6,001,182. The total amount assured by the company on a "paid for" basis in force December 31, 1904, was $104,369,435. The officers to whom the credit of this successful administrative record is due are: Cornelius Doremus, president; Hubert Cillis, vice president; Max A. Wesendonck, second vice president; John Führer, actuary; Carl Heye, secretary. The company has a large and growing business in Germany as well as in the United States.

The amount received from and remitted to home offices by the **foreign fire insurance companies in 1903,** according to their reports filed with the New York State Insurance Department, were as follows:

	Received from Home Offices.	Remitted to Home Offices.
Aachen and Munich	$184,513	$13,768
Atlas, London	555,779	309,170
British America	24,004	.....
Cologne	.....	85,329
Commercial Union	335,497	.....
Caledonian	.....	20,727
Hamburg-Bremen	105,045	128,160
Law, Union and Crown	107,675	58,950
Liverpool and London and Globe	417,901	485,288
London Assurance	152,428	288,695
London and Lancashire	.....	3,326
Munich	321,750	.....
Netherlands	13,750	20,000
North British and Mercantile	398,914	.....
Norwich Union	578,590	245,000
Palatine	48,425	.....
Phœnix	468,605	.....
Prussian National	.....	13,982
Rossia	578,230	.....
Royal	1,089,293	1,486,179
Scottish Union and National	.....	1,124
Skandia	102,027	152,918
Sun	536,854	181,410
Transatlantic	.....	63,982
Union	532,200	.....
Western	100,044	.....
Totals	$6,652,124	$3,557,918

The totals in 1903 were: Received from home offices, $397,-425; remitted to home offices, $2,888,959.

This little **true story of a life insurance policy** is from an Albany, N. Y., newspaper: The payment of $5,000 to the family of the late William Story, of that city, on a life insurance policy which was believed to have lapsed through the non-payment of premiums nine years ago, is a practical illustration of the efficacy of the safeguards which modern methods of insurance provide for policyholders and beneficiaries. Mr. Story died on January 1. Within seven days the Mutual Benefit Life insurance company paid to Mrs. Anna M. Story, his widow, the full value of a policy which Mr. Story and his family believed was worthless. The payment was made through the operation of the automatic extension insurance plan which is one of the features of the policy. Mr. Story was a well known Albanian. He took out a policy of insurance for $5,000 in the Mutual Benefit on May 31, 1880, which was made payable to his wife, Mrs. Anna M. Story. Payments were continued until September 18, 1894, after which the company received no further premiums upon

it. Mr. Story believed that the policy had lapsed and paid no further attention to it. Subsequently he made inquiry of a friend in the insurance business, and was told that the policy was valueless. Mr. Story so informed his wife, who put the policy among her private papers as a matter of womanly habit. There it was found after Mr. Story's death, and on presentation at the head office of the company for the purpose of determining what could be done with it, it was ascertained that it had been kept alive through the operation of the plan of automatic extended insurance, which is a part of every policy of insurance issued by this company. Mr. Barcus, the local manager, informed Mrs. Story that the policy was not only good for its full value of $5,000, but that it would have retained that value until September 15, 1907, or for eleven years and 362 days from the time the last premium was paid.

The **Provident Savings Life Assurance Society,** of New York, was organized in 1875. Consequently it presents this year its thirtieth annual statement, which is full of interest to those who have followed closely the progress of the society and to the insured and insuring world as well. The society has assets of $8,037,405, and a contingent reserve fund of $862,974. The income for the year past was $4,371,722, and the payments to policyholders on all accounts were $3,583,038, of which $1,470,954 was in death claims, endowments and annuities. The returns made to policyholders during 1904 exceeded those of any previous year in its history, and averaged the unusually large sum of $1,022.20 for every hour of every working day in the year. The society now has 44,817 policies in force amounting to $101,189,448, and the significant item which has appeared for several years past in its statement, "death claims due and unpaid, none," is again in evidence. The premium income of the society for 1904 was $3,659,298. The Provident Savings is well known for the liberality of its contracts and the special features of protection which it grants to its policyholders. Of late it has made much progress in the plan, originated by itself, by which employers co-operate with their employees in affording to the latter the insurance protection which means so much to the man who labors day by day for his sustenance. The contentment among workmen where this plan has been adopted by employers has more than repaid the latter for the outlay required. President Edward W. Scott is ably seconded in the administrative duties of the society by Comptroller Ralph K. Hubbard, whose recent article in these columns on the relation of life insurance to mercantile credit has attracted much attention.

The assets of the **Mutual Life insurance company** on December 31, 1904, were $440,978,371.16, the largest of any financial institution of its kind in the world, and showing a gain for the year of $39,156,709.50. The receipts for the year were $81,002,984.57. The Mutual Life, after placing $366,620,552.73 to the credit of the reserve fund and other liabilities, in accordance with the requirements of the New York Insurance Department, has a contingent guarantee fund of $71,457,818.43, in addition to the dividends to its policyholders to be apportioned this year. In 1904 the payments to policyholders amounted to $34,726,548.34, showing an increased payment to policyholders in 1904 when compared with the payments on this account in 1903. The general business of the Mutual Life in 1904 is highly satisfactory, and shows a conspicuous gain in all branches. The insurance and annuities in force December 31 amounted to $1,547,611,660. Since its organization, in 1843, the Mutual Life insurance company of New York has paid to and accumulated for its policyholders $1,106,701,837. The company desires to accentuate the fact that it does not issue policies upon impaired or vicious lives, nor does it seek business in unhealthy climates or where good sanitary conditions do not obtain. To a board of trustees constituted of representative men, in every walk of life contributory of the especial knowledge, judgment and experience requisite to the successful administration of a complex organization, is intrusted the safekeeping and prudent investment of the moneys of the policyholders. No speculative use is ever made of this fiduciary fund, and no alliances exist but those which are subservient alike to the safety and the prosperity of the company.

The **medical report of the Mutual Life insurance company,** of New York, compiled for the company's sixty-second annual statement, gives the following interesting statistics: Five thousand three hundred and seventy-nine persons insured in the Mutual Life died during 1904, an increase of 434 over the year previous. There are more than 660,000 of the company's policies in force. The average age at death was 51.96 years, the average duration of insurance 14.29 years, the average amount of insurance paid on each life $3,670.48. The report contains this table, encouraging to those who hope to die of old age, showing that in 1903, 1,830 of the 4,936 deaths were of members sixty years old and upward, and that in 1904, 1,936 out of 5,379 were of those ages. Among the causes of death heart disease heads the list with 510 deaths. Consumption, pneumonia, Bright's disease, apoplexy, casualties, cancer and typhoid fever follow in the order named. It is due probably to the severe cold winter last year that pneumonia cost 477 lives, showing the greatest increase, 123, in any one disease. On the other hand, diseases of the nervous system show a diminution in numbers. Of the 312 fatal casualties, five persons lost their lives in automobile accidents, six in the burning of the Iroquois Theatre, forty-two in railroad accidents, twice as many as in 1903, thirteen in shipwrecks or by drowning at sea or on the lakes, eighty-seven by being hurt by vehicles or horses in the streets, sixteen by firearms and thirty-four by homicide. The number of deaths among women was 371, an increase of sixty over the preceding year.

The **automobile is an important aid to insurance men** in the "Woolly West." J. J. Deright, an adjuster for the Fidelity and Casualty Company at Omaha, Neb., was "in at the death" or capture of the men suspected of blowing the Treynor, Ia., bank recently. Mr. Deright, on the news of the occurrence, accompanied by a safe lock expert, went over the hills and valleys to Treynor in his swift automobile. The distance is 25 miles, and although the roads were bad and full of ruts, the run was made in ninety minutes against a strong northwest wind. Arriving at Treynor, an inspection showed that heavy charges of nitro-glycerin had been used, and about $400 damage done the safe. Word reached Treynor about that time that two suspects were at a point southwest of there, and officers of Pottawattamie County, Ia., started after the men, Mr. Deright driving his machine over to the point indicated. Upon one of the men was found the socket of a syringe, into which fitted exactly the plunger of a syringe found upon the floor of the bank near the safe. The officers are of the opinion that the men used the syringe in injecting nitro-glycerin into the holes drilled into the safe. The inner door of the safe was opened by the safe expert accompanying Mr. Deright, and the funds of the bank were found to be intact.

The Manchester *Policyholder* is strongly of the opinion that the clause in the life insurance policy barring payment **if the policyholder commits suicide** is necessary, and the funds of the company should be safeguarded against the "hazard of

fraud." It believes that premeditated suicide is by no means a negligible quantity, as some persons suppose, and cites a recent instance of this kind of swindling. It says:

A man who was reputed to hold a good financial position and to be able to carry insurance on his life for a substantial sum applied to one of the leading offices for insurance, but objected to take up a policy containing any restriction as to suicide. The office in question asked him whether there was any particular reason which gave rise to this objection, whether, for example, he wished the policy to be a security to his bankers, or any other person who might have a pecuniary interest in his life, to which the reply was that there was no such element in the case, the policy was merely intended to be a protection to his family in the event of his death. He objected on principle to having any such clause in his policy, and considered his family ought to have the amount of the insurance no matter when or how his death occurred. Being unable to convert the officials of the company in question to his way of thinking, this man applied in other quarters and succeeded in obtaining from other offices policies free from any suicide restriction to the extent of some £6,000. All of these policies became claims within three months of their issue by reason of the suicide of the life insured.

Fifty years of corporate existence are represented in the present annual statement of the **Mechanics insurance company,** of Philadelphia. During that time the company has established a firm reputation for prompt and liberal payment to all those under its protection who have suffered from loss by fire. The company announces with the beginning of 1905 total assets of $1,049,623, reinsurance reserves of $519,344, reserves for outstanding losses $39,468, net surplus of $240,-793. Last year the company's assets were $997,218, reinsurance reserve $492,288, and net surplus, $219,054. The total surplus held by the company for the protection of policyholders is $490,793. The cash capital of the Mechanics is $250,000. The officers of the company are: Simon B. Martin, president, who has ably administered the affairs of the company since 1893 and was previously for many years its secretary; secretary, John A. Snyder, who has also held his present position since 1893. Charles J. Gallagher is vice president. The company has made no blowing of trumpets about its bi-centennial, but to have weathered the vicissitudes of the fire insurance business since before the Civil War without a hitch is an event which cannot escape the observation of the public.

The following interesting and curious statistics of the **loss of life by fire** are given in the *Fireproof Magazine:*

They are taken from the last general statistical period of twelve months covering life loss by this cause throughout the entire country. During the last census year deaths resulting from fire reached the unprecedented total of 6,672, or over 500 lives sacrificed each and every month to the destroying element. The proportion of life loss averages, during the period, about evenly, a little under 9 per 100,000, but showing an increase from 5.5 in 1890 to that of 8.8 in 1900 per 100,000 of population. The figures for the following States and cities respectively are given: Illinois, 315; Chicago, 136 of the total. Indiana, 173; Indianapolis, 14 of the total. Iowa, 91 reported. Michigan, 161; Detroit, 25 of the total. Minnesota, 100; Minneapolis, 14 of the total. St. Louis, 72. New Jersey, 188. New York State, 561; Greater New York, 342. Ohio, 289; Cleveland, 39; Cincinnati, 20. Pennsylvania, 641; Scranton, 24; Wilkesbarre, 15; Allegheny, 20; Philadelphia, 142; Pittsburg, 49. Virginia, 271. Wisconsin, 123; Milwaukee, 25. Some striking comparisons are afforded by the following illustrative ratios: One thousand more persons lost their lives through fire than the whole number of those drowned; the figures stand: Burned, fire, etc., 6,772; drowned, 5,387. Railroad accidents, killed, 6,930; fire, 6,772. Rheumatism claimed 5,067 victims—fire, 6,772. Scarlet fever sacrificed 6,333 lives—fire, 6,772. Smallpox—of which we hear so much, and which arouses the intensest administrative agitation—satisfied its death claim with 3,484—fire, 6,772.

The long standing difficulty between the Supreme Lodge of the **Ancient Order of United Workmen** and the Massachusetts Grand Lodge of that order has been settled by the final decree, issued last Monday, by Judge Lowell, of the United States Circuit Court at Boston. The decree relates that in the suit filed by the Supreme Lodge against the Grand Lodge the exceptions taken by the defendant have been waived; that the parties in this cause have entered into an agreement for the settlement of all controversies between them for the sum of $100,000, paid by defendant to plaintiff. It is therefore ordered that all stipulations entered into by the parties in this cause be vacated, that all affiliations, contracts and other relations existing between the parties in the cause be dissolved, and that Recorder Temple and James Rielly shall pay to defendant Grand Lodge the whole amount of the guarantee fund which was paid over to them by an order of the court of August 2, 1904; also that plaintiff's bill is dismissed without costs to either party.

In his comments upon the measures before Congress for the regulation of railroad rates, President Samuel Spencer touched upon the **difficulties attending rate making** as follows:

It is a great pity that the public has not a better understanding of what is, after all, the most difficult, highly technical and laborious task before railroad men—the making of rates. A man goes into a railroad office and the clerk, turning to a tariff book, tells him the rate. This seems a simple transaction, but, as a matter of fact, months of work by many people at an expense of thousands of dollars and years of experience, have been involved in the establishment of that particular rate. Every railroad man knows the great difficulty of securing exact justice in fixing rates, and experience is demonstrating that the rate which develops traffic—and therefore the rate which the railroad should prefer, from pure self interest—is almost certainly the nearest possible approach to justice. But the adjustment of rates in such a way as to develop traffic is possible only at the hands of railway officials responsible for the results, trained for years to understand local needs and the limits of possible change in a wonderfully and, necessarily, complex organization. With all these difficulties, the Interstate Commerce Commission itself has repeatedly admitted that excessive rates almost never exist; and the success of the railways in maintaining rates at a fair level is conclusively proved by the fact that there has been established in the courts, since the foundation of the commission, not a single case of rates unreasonable in themselves.

The arrival of General Manager Cream, of the **National of Ireland,** in this country has been followed by the **reinsurance of its entire United States business** in the Providence-Washington. The intermediary in the transaction is Sumner Ballar, who said in the *Journal of Commerce* of yesterday:

The National Assurance Company of Ireland has been doing business on this side since 1897 under George L. Kendall, United States manager, and was acquiring a liberal share of the desirable classes. When the company transferred its home business to the Yorkshire insurance company in November it was very apparent to well informed managers here that the National of Ireland would soon dispose of its American connections and withdraw from this country. Upon the sailing of General Manager Cream rumors were rife as to what would happen, but, as has proved almost invariably the case, the companies positively named as to acquire the National of Ireland's American portfolio did not include the one closing the deal. The departure of the veteran Irish company will be greatly regretted by underwriters, who are well aware what a brave fight has been made for it under exceedingly disadvantageous circumstances.

January has been a **month of unusual heavy fire insurance losses in the West** in comparison with January of last year, when the record was quite good. Very few Western departments are able to show any profit for the month. The heaviest loss was at Omaha, January 28, when almost an entire block of buildings was wiped out by fire. Omaha was not on the list of conflagration cities, the experts of the governing committee having gone over conditions there and reported that the fire protection was unusually good; that there were few tall buildings, and they well scattered. The chief drawback found in Omaha protection was the electrical hazard. The defects penalized by conflagration charges were, however, largely responsible for this loss, the fire spreading through the building in which it started through unprotected open-

ings, and then entering the adjoining buildings through unprotected wall openings. In one case the fire got under iron shutters and caused a heavy loss in a protected building.

Several hundred representatives of the **Columbian National Life** insurance company gathered at the Hotel Somerset, Boston, last Saturday evening, to enjoy the company's annual dinner. President Parker presided, and about him were seated some forty of the directors. Colonel Parker told how the agents had more than met his call for new business in 1904, and expressed himself as being sanguine that the returns of the current year would be greater still. Remarks were also made by Treasurer Sears and Vice Presidents Fornes, of New York, and Holt, of Chicago. Vice President Woodbridge acted as toastmaster, and evoked the greatest enthusiasm by his presentation of the company's achievements, present and expected. Addresses were also made by Winslow Warren, T. J. Gargan, Arthur E. Childs and many other notables of the political, legal and financial world.

The fifty-seventh **annual statement of the Penn Mutual Life** insurance company, of Philadelphia, which appears elsewhere in this issue in full, shows the company to have total assets of $68,921,378. The total surplus of the company now stands at $8,960,620, and the new business written during the year was $80,386,199, comprising 33,871 policies. The company has outstanding insurances amounting to $342,676,444. On Wednesday a joint examination of the company was begun by the insurance departments of Massachusetts, Wisconsin and Pennsylvania, respectively represented by Actuary Brown, Commissioner Host and Actuary Wolfe, and Actuary B. M. Foster, for the Pennsylvania department. The examination is made at the special request of President Harry F. West, and is for the purpose of confirming in every detail the company's excellent showing.

The **Casualty Company of America** this week announced the appointment of Fred. S. James & Co., of Chicago, as Illinois general agents, except for the boiler insurance department, which will remain with the Burrows, Marsh, McLellan agency. The casualty department of the Ætna displaced the Casualty Company of America in the above line. The latter company has completed arrangements for taking over the risks of the Connecticut Mutual Steam Boiler Inspection and Insurance Company, and is making the boiler department a special feature. Mr. Charles R. Brooks, formerly assistant secretary of the company, has been appointed secretary of the Ætna Indemnity Company, succeeding Edward S. Pegram. Mr. Brooks for two years past has had charge of the plate glass department of the Casualty Company of America.

On Saturday last the New York Board of Estimate passed a resolution asking the corporation counsel for an opinion as to the legal power of the city to appoint a **commission to extend the water supply** system without action by the Legislature. If a favorable reply is received the mayor will immediately proceed to the appointment of such a commission, although he has had a bill prepared which is at present at Albany toward the same end. The commission is to be nonpartisan, consisting of three members, and is proposed to supersede the present aqueduct commission. The work of carrying out the recommendations of the Burr commission for an additional water supply, which will be entrusted to the new body, will require about twenty years for completion, and will cost, it is estimated, $90,000,000.

The **committee of the American Bar Association** on insurance will prepare a report recommending various subjects on which it believes the Bar Association should take action, which will be printed sixty days before the meeting in August next, when it will be submitted to the members. The important question will be whether insurance is interstate commerce, and it is understood, says our Chicago correspondent, that the report will strongly urge that the Bar Association take action looking to the enactment of a bill declaring insurance to be interstate commerce. "The arbitrary powers of insurance departments, the bar against removal of cases to the Federal Court, valued policy laws, wildcats and undergrounders, the advisability of large surpluses for life companies, and other questions will be considered in the report."

The promoter of the Phœnix Underwriters, of South McAlester, Ind. Ter., and elsewhere, **Jesse L. Rogers,** against whom the postal authorities recently issued a fraud order, has instituted suit in the United States Court here to enjoin Postmaster William R. Wilcox, of New York, from withholding the complainant's mail, and alleging malice on the part of the Government against the company. He is still under indictment and out on bail, and was last heard from in St. Louis. Meanwhile, with characteristic gall, he has caused to be incorporated at South McAlester, Ind., Ter., the "Hartford Fire insurance company," with $500,000 "authorized" capital. If the Statehood bills are enacted by Congress this month the Indian Territory will cease to be the easy breeding place of wildcats.

Attention is directed to the sixtieth annual statement of the **Mutual Benefit Life insurance company,** of Newark. It will be seen that the assets are now nearly $92,000,000, and the surplus over $7,300,000, on market value basis. The new business written last year was $54,801,703, and at the end of the year the policies in force were 155,009, insuring $363,801,084. The company took in in premiums in 1904 nearly $14,000,000, and paid to policyholders nearly $10,000,000. Of the latter amount $6,375,152 was paid in death claims and matured endowments. The investments of this great company are chiefly in United States securities and first bonds and mortgages on real estate, and show the judicious and careful prompting of the experienced financiers at its head.

The fifty-fifth annual statement of the **Ætna Life insurance company** appears on another page, and reports "great gains in business in 1904," namely, increase in assets, $5,628,316; increase in guarantee fund over requirements, $883,884; increase in premium income, $1,135,669; increase in life insurance written and paid for, $2,225,105; increase in life insurance in force, $14,001,862; increase in accident insurance in force, $8,618,927. The assets of the company have now attained the imposing figures of $73,696,179, the life insurance in force, $237,304,739, and the accident insurance in force $217,236,165, or a total insurance in force on January 1, 1905, of $454,540,904. The Ætna Life is the largest company in the world writing life, accident, liability and health insurance.

The president of the Washington was an actuary. In point of fact, we learn, the policy lists were made up in his office or under his supervision, instead of in the actuary's office. The latter officer merely joined in a certificate drawn by his superior officer in whom he had confidence. The rest of the falsification of the report also proceeded from the same chief executive officer and his immediate associates; and it should not be difficult for the district attorney and grand jury to fix the responsibility.—*The Chronicle.*

No one can feel like blaming the editor of the *Chronicle* for seeking to excuse his amiable and unfortunate friend,

nevertheless plain justice demands that the actuary shall be held at least morally responsible for assenting without indignant protest to the promulgation of a report which, if he is a competent officer, he must have known was not true.

The annual report of the **Board of Firemasters of Charleston,** S. C., submitted this week, shows that the total fire loss of that city during 1904 was $47,222, of which $11,535 was on real estate and $35,686 on personal property. The total value of property at risk was $994,355, and the total amount of insurance $559,400. The largest fire in the city during the year was in the establishment of Joseph Glick & Co., 290 King street, where the loss was $16,507. The summary of the report gives the total value of property at risk in that city during twenty-three years at $17,756,028, and insurance was $12,978,137. The total loss on real estate during the same period was $468,822, the total loss on personal property was $1,016,363, a total amount of $1,485,186.

The Little Rock *Gazette*, the principal daily paper of Arkansas, is not at all satisfied with the enactment of the **King anti-insurance bill.** Referring to the report recently circulated that the Little Rock Furniture Manufacturing Company will not continue business on account of the insurance prospect, the *Gazette* says:

> We heartily hope that the furniture company will find no obstacles in its way in Little Rock and that not a single man or corporation engaged in a legitimate business will be driven from Arkansas by the anti-trust law. We heartily hope that, even if the insurance matter seems uncertain at this hour, the situation will so right itself that every individual and every business needing fire protection can get it. The *Gazette* isn't praying for evil to result from the Logan-King act. It is hoping that no bad results may follow the passage of that law.

In the course of a speech at Philadelphia this week **President Roosevelt** said:

> All great business concerns are engaged in interstate commerce, and it was beyond question the intention of the founders of our Government that interstate commerce in all its branches and aspects should be under national and not State control.

Probably the President did not mean that the term "all great business concerns" should be taken literally, for then it would include not only corporations but business firms. But the trend of the President's mind in relation to the scope of Federal supervision may be inferred from the paragraph quoted.

The complaints of sundry citizens of **South Carolina** that **rates** have been advanced by the South Eastern Tariff Association as a result of the repeal of the anti-compact law have been the subject of investigation by Comptroller General Jones, who looks after the doings of the insurance companies in South Carolina, and his published conclusions are that the reports are "very confusing," and that "it is hard to say whether there has been an actual reduction, or in other words, whether the South Eastern Tariff Association will receive in the aggregate an increase or decrease upon the premiums received for the same amount of property insured under the new rates or not."

The **surplus to policyholders** which the **Interstate Life** Assurance Company, of Indianapolis, announces in its annual statement of December 31, 1904, is $271,982. These figures were announced correctly in our news columns of January 7, but the advertisement in the same issue of the detailed statement gave $21,982 as the figures. Our printer dropped the missing 7, and as it was not then observed, we wish to call attention to the unintentional and uncalled for reduction in the surplus of this strong company. But not as bad as " ontinental asualty ompany"—was it, *Assurance?*

Further changes in the official staff of the **Washington Life insurance company** were made this week. Mr. Theodore T. Johnson, formerly superintendent of agents for George B. Raymond, Newark, was appointed second vice president. Percy V. Baldwin, the Massachusetts and Rhode Island general agent of the company resigned. The resignation of Actuary Israel C. Pierson was handed in to the new management at the time the other old officers retired. It was not accepted, however, until this week, and Mr. Pierson is now no longer connected with the company.

The contribution of the **Springfield Fire and Marine** insurance Company, of Springfield, Mass., to the great conflagration losses of the year 1904 was $512,480 in the fires at Baltimore, Rochester and Toronto alone. The company, however, increased its assets $164,496, to a total of $6,446,898. Its reinsurance reserve was augmented $201,143; total, $2,630,601. The premium receipts were $295,096 more in 1904 than in 1903, and in all were $3,500,605 for the year just past. President Damon's detailed statement appears in our advertising columns.

The **Prussian Life insurance company,** of Berlin, has decided to enter the United States for a strictly reinsurance business. The manager will be C. F. Sturhahn, who is the present manager of the Rossia, of St. Petersburg, here. He will be assisted by W. C. Scheide, formerly secretary of the United States branch of the Royal Exchange. The trustees of the Prussian Life will be: Hugo Schumann, president of the Germania Fire; Hubert Cillis, vice president of the Germania Life, and Felix M. Warburg, of Kuhn, Loeb & Co., bankers, of New York.

An innovation in the work of **the National Association of Local Fire Insurance Agents** which cannot but be beneficial is announced by President A. H. Robinson. It will take the form of a **midwinter conference** of the officers and committees of the organization, and will be held some time this month or next, either in Pittsburgh or Cincinnati. Several important matters, particularly some relating to organization, will come up, and the convention will be open to all members of the association, whether officers or not, who desire to attend.

The Chamber of Commerce, of Portland, Ore., has asked the **Oregon** Legislature to rescind the clause in the insurance laws requiring **a bond of $50,000 from insurance companies** before they can do business in the State. They claim that there are ninety companies doing business in California, but less than sixty in Oregon, the difference being attributed to the bond requirement. The benefit of this, however, is offset by the request, also made by the Chamber of Commerce, for the enactment of an anti-compact law.

The Connecticut Insurance Department, at the special request of President Beekman Hunt, of the **Ætna Indemnity Company,** will soon begin an examination of the company. As announced elsewhere, Charles S. Brooks, formerly with the Casualty Company of America, succeeds Edward S. Pegram as secretary of the Ætna. Samuel B. Brewster has resigned as agency director of the New Amsterdam Casualty

Company, and on Wednesday took up his official duties as treasurer of the Ætna Indemnity.

Arrangements are being completed to hold the annual dinner of the **Life Underwriters' Association of New York** at Hotel Astor, Broadway and Forty-fifth street, on February 28. Among the speakers secured are President Dolph, of the National Life Underwriters' Association; Mayor McClellan, William Ordway Partridge, Rev. Dr. Lindsay Parker and Recorder Goff. The price of tickets is $5. The dinner is called for 6:30 o'clock, and will be preceded by the regular annual meeting at 6 o'clock.

The Attorney General of Iowa has been advised that the Supreme Court of the United States has overruled his motion to advance the case which involves the **constitutionality of the anti-compact law** of that State. Mr. Mullan had hoped to have it advanced on the calendar so that a decision would be reached very shortly. As it is, it must await its turn, but even then the Attorney General hopes it will be decided this year, and possibly within a few months.

At the first annual meeting of the **Life Underwriters' Association of Los Angeles,** Cal., held last week, officers were elected as follows: H. Haskell, of the Home Life, president; W. V. Holley, of the Travelers, first vice president; J. W. Whittington, of the Ætna, second vice president; Frank F. Pratt, of the New York Life, secretary; G. P. Fallis, of the Union Mutual, treasurer. About fifty of the sixty members of the association were present.

At the annual meeting of the **Providence-Washington insurance company,** held on Tuesday of this week, Arthur G. Beals was chosen secretary of the company. Mr. Beals was local agent of the company at Carthage, N. Y., previous to 1891, when he was appointed special agent in New York State. He has since been the company's senior field representative, and is consequently well qualified for the position to which he is now called.

The **Kansas Insurance Superintendent is quite angry** with the fire insurance companies doing business in that State. He is reported by the Topeka *Herald* as saying:

> Insurance rates are entirely too high in this State—relatively much higher than elsewhere. As the law now stands, the people seem to have no protection against the cupidity of insurance companies. There is practically no competition in the business and no present pretense of any. The laws on the subject are evaded and practically annulled.

The California Supreme Court January 20 decided that the **Mutual Reserve Life** must pay Rebecca Benjamin $5,000, the amount for which her husband's life was insured. The company claimed that deceased had been delinquent in his payments, but the court held that his policy was fully paid up to the time of his death through his having made overpayments previously.

The **reappointment of Insurance Commissioner Barry,** of Michigan, for another term of two years moves the *Indicator* to say these things of him, which we heartily indorse:

> This insures Michigan an honest and capable administration of its insurance department for at least two and a half years and affords cause for congratulation to residents of the State and all insurance interests represented therein.

A schedule for rating wood working risks was adopted at the regular meeting of the **Boston Board of Fire Underwriters** last Tuesday. The base rate for furniture, cabinet and other woodworking risks with varnishing is $3.10; for planing mills, box factories and non-classified woodworkers without varnishing, $2.60; for the last named classes, with painting or varnishing, $3.35.

In the **congested district of Chicago** the North British and Mercantile has at risk, $4,374,366; Commercial Union, $4,013,990; Home, of New York, $3,770,970; Ætna, $3,727,957; Phœnix, of Brooklyn, $3,672,785; Springfield Fire and Marine, $3,246,347; Phœnix, of London, $2,494,600; Continental, $2,452,000; Phœnix, of Hartford, $2,382,758; German American, $2,344,000.

The **National Church Mutual,** the organization run by the General Conference of the Methodist Church for the insurance of churches and parsonages, held its annual annual meeting in Chicago last week. The reports showed the cash assets to be $65,646, with premium notes not due of $277,206. A 10 per cent. dividend was declared.

The **Life Underwriters' Association of St. Louis** on January 20 elected George Benham, president, succeeding J. S. Kendrick, and re-elected C. W. Darby, secretary. Mr. Benham was formerly a San Francisco newspaper man, and secretary of the association in 1902 and 1903, and is St. Louis general agent of the Penn Mutual Life.

A revised edition of the **Dean schedules** has been issued under the title of "Analytic System for the Measurement of Relative Fire Hazard." This includes the features of all the previous editions, with such revisions as experience showed to be necessary, and is especially adapted for use in the large cities.

In view of the **anti-trust law in Arkansas** several stock companies are being "projected" in that State as well as mutuals. The Home Fire, of Fordyce, Ark., claims to have secured a subscribed capital of $100,000, and has elected the following officers: A. B. Banks, president; A. J. Wilson, vice president; John R. Hampton, secretary and treasurer.

The new office of **second vice president** has been created by the **Massachusetts Mutual Life** insurance company, and at the annual meeting on Saturday last Mr. W. W. McClench was elected to fill the position. Mr. W. H. Sargeant, former assistant secretary, was advanced to the secretaryship, and Mr. George D. Lang was named to succeed Mr. Sargeant.

The **Life Underwriters' Association of Binghamton, N. Y.,** held an annual meeting and banquet last Saturday evening. The following elections of officers were had: W. H. Cannon, president; C. A. Pelton, first vice president; I. R. Stevens, of Ithaca, second vice president; James T. Kennedy, treasurer; Frederick D. Bailey, secretary.

At the annual meeting of the **Philadelphia Association of Life Underwriters** the election of officers resulted as follows: President, J. E. Durham; vice presidents, J. H. Glenn, F. E. Hammer and W. H. Higinbotham; treasurer, H. W. Littlefield; secretary, F. H. Garrigues, and assistant secretary, Robert R. Dearden, Jr.

(*Continued on page 94.*)

AN AUSTRIAN VIEW OF "LUCK."

(Translated from Der Versicherungsfreund, Vienna and Berlin.

"What is luck? If a man pays his life insurance premium for the first time on Monday and on Tuesday dies a sudden, easy death, that is luck." Thus began a conversation recently with one of the best known insurance agents of Vienna concerning various interesting insurance matters. The remark was reminiscent of the accident insurance agent who urged the sale of a policy thus: "If you break your arm you get a thousand crowns; if you break your leg you get two thousand crowns, and if you have the good luck to break your neck your fortune is made."

"There is truly in this regard a certain element of luck," asserts a writer in the *New Vienna Journal,* "or rather a lucky second." A man may go uninsured through the greater part of his life and yet not lose anything if only he has an insurance agent near at hand to write his policy at the "psychological moment" and to deliver the insurance. And this piece of luck, the only drawback to which is that the chief actor must forfeit his life, is not very rare, either.

To the sorrow of many insurance companies, it is a well known fact that many people die in the first year of their insurance, and the company is then placed in the sad situation of having to pay in return for a small first premium many thousands of dollars to the pleased inheritors. The saying "Swift treads death upon the heels of men" is indeed a formidable factor in the calculations of life insurance companies. Here all scientific knowledge goes for naught, and in spite of careful calculations it not seldom happens that the insured signs for his policy all too timely (for the company's best interests). Figures only too plainly prove these facts.

A great American insurance company, which also does a large business in Austria, had as an unfortunate example, during the year 1903, 447 deaths among its policyholders who were in the first year of their insurance. These 447 unexpected deaths cost the company not less than 5,485,162 crowns, a ratio of sufficient proportion to enter seriously into the question. In addition, it may be stated that ninety-nine of those dying among the number mentioned above did not survive the issuance of their policies over three months. Luck is by no means with the insurance companies. Concerning "lucky accidents" like that, the following incidents are told:

A certain artist of Vienna bought a studio. In the course of the transaction he took out a policy for 80,000 crowns to secure his creditor. In this way it occurred to the artist to take out a policy for the same amount for the protection of his family. He cogitated the matter, and later came back again and made application for a policy of 90,000 crowns. The application was accepted and a day later the agent took the policy to him. By some caprice the money was not ready, and the agent was requested to call for it two days later. The agent called again on the third day, but did not deliver the policy, for the artist meanwhile had died suddenly. The family of the deceased was left destitute, but the company had been spared the payment of 90,000 crowns. But many people have far more foresight than that. For example, in Vienna lives a capitalist, well known in sporting circles, who in one case staked 20,000,000 crowns upon a business venture and backed it up with insurance. A short time thereafter he took out a million crowns more of insurance, and at the present time he has protected the chance of his death by insurances totaling 5,000,000 crowns. He pays now yearly more than 280,000 crowns in premiums, a sum which if only laid aside for five years would prove a very satisfactory inheritance. An acquaintance not long ago asked this insurance fanatic why he carried such an enormous amount on his life. "I am merely looking ahead," he replied, "so that if on Sunday my factory burned down and I died on Monday, my family would still have what is most necessary for their maintenance." Indeed his family would never be hungry again should such an event happen.

What is regarded as the exception in Austria is the rule in the land of the Yankees. It is well known for what sums the American millionaires and billionaires are insured. The Americans are far and away ahead of us in insurance matters. Policies for a million crowns are there the order of the day, and the managers without a wink close insurance upon a single life in one company to the extent of 5,000,000 crowns. But it does no good for American insurers to try to talk to the people of Austria. There are many fathers of families in this country with incomes of 20,000 crowns who do not think it worth while to "get along" on 19,000 crowns and to put the rest into insurance for the benefit of their dependents. A short while ago a lawyer died whose income was estimated to be 25,000 crowns annually. For years an application for an insurance policy had lain in his desk, and one day after he had died suddenly of an aneurism of the heart, the application was found among his other papers, all filled out and ready to be sent in. He left his family in poverty and his widow eked out an existence for herself and the children by making German and English translations.

The wife of a certain civil officer fared somewhat better. He was at one time deeply in debt, but at last, in the depths of his necessity, he found a benefactor. A certain life insurance agent happened to ask him what amount it would take to balance up all his liabilities, and suggested further that the official insure his life for three times the amount of his debts. The official consented, and scarcely had he taken out a policy for 30,000 crowns, offsetting his 10,000 crowns of debt, when he was taken with brain fever and died seven weeks later. The widow retained 20,000 crowns after all the dead man's debts were paid, and this usury fell in the end to the benefit of the farsighted creditors. An observant insurance agent recently declared that the women must in most cases bear the blame for the lack of insurance on many husbands who die. It is a delicate subject indeed for a woman to propose to her husband insurance against his death. The fear that he will think her heartless to suggest what he might regard as a speculation upon his life, and the love which every woman should bear for her husband, may deter one from suggesting insurance upon her husband's life. Such is the love which will not listen to the possibility of the eventual death of her spouse. And here is one case of that kind which almost became a tragedy. A poor governess was married to a merchant, and the most devoted affection existed on both sides. Four children resulted from the marriage. The income of the man was small, but sufficient to maintain his family comfortably. One day an insurance agent came to his house, and the merchant said that he would willingly insure his life but for a superstition he had that if he were to be insured he would not live long thereafter. His wife laughed at this idea, and joined with the agent in persuading him to take the policy, which he did. Seven weeks later the merchant was taken with a severe illness, and during the continuance of his sickness he was never free from the haunting idea that he was

fated to die, since he had insured his life. His wife took his continual lamentations so thoroughly to heart that one day she attempted suicide, fearing that her husband would indeed die and that she would then be in a manner guilty of his death. As it turned out, the sick man got well, and his wife died shortly after her suicidal attempt.

Suicide, as is well known, is an important factor in life insurance. The thought of taking out an insurance policy as a favorable speculation for the family, and then committing suicide, is becoming widespread, and experienced insurers are fighting hard against it. Insurance has the better of the bargain if the suicide has been insured for a long time. Experience has taught that the lapse of only a short space of time is necessary to protect against such action, for there is no man living who could seriously plan self destruction for a long time ahead and then deliberately carry it out. One great American company has recently cut down the suicide clause from three years to one year after the issuance of the policy. Should a man insure his life with the absolute intention of committing suicide after a year had elapsed, he can be safely written upon the ground that there are ninety-nine chances to a hundred that he will abandon the idea entirely within the first year.

FACTS AND OPINIONS.

(*Continued from page 92.*)

The trials of **Dr. R. G. Lightle and John V. Roberts** will shortly be held in the Lee County Circuit Court at Marianna, Ark., under indictments charging them with conspiracy to defraud certain life insurance companies. The defendants have secured this change of venue and are now out on bail.

The *Statement* has looked into the experience of the Mutual Life with **women risks** in 1904 and finds that 293 claims were paid on policies issued by women, on which they paid $186,683 in premiums and received $559,689, or $373,006 over cost. This looks like a pretty good investment by the weaker sex.

The **Royal Exchange,** of London, has undertaken a new kind of business, in addition to insurance, that of executor of wills, trustee under wills and settlements, and trustee for charitable and other institutions. In order to do this work it has obtained authorization by an act of Parliament.

The **surplus of the Lloyds Plate Glass** insurance company, of New York city, increased during the year just past $47,065.91. By an error in the figures furnished THE WEEKLY UNDERWRITER, and printed last week, the figures of this increase were given as $27,593.87.

The **Spectator** announces the **removal** of its offices from 95 William street to the new sixteen story office building at 135 William, corner of Fulton street. The business of our contemporary has grown so great that it will have to occupy the entire sixth floor of the new building.

The name of the fire insurance company that is being organized by the New York Plate Glass insurance company, to be conducted in connection with its business, will be the **City of New York insurance company.** It will do a general business in a number of States.

The **offices of the London Assurance Corporation,** of which Charles Lyman Case is United States manager, were moved on February 1 from 44 Pine street to the old quarters of the Greenwich insurance company, at 56 Wall street and 61 Pine street.

The National Fire, of Hartford, has taken over the **Franklin insurance company, of Wheeling,** W. Va., and will probably drop the outside business and reinsurance contract of that company and continue its home business.

At the annual meeting of the Iowa Manufacturers' Association at Cedar Rapids last week the proposed scheme of **mutual insurance was abandoned** and it was decided to continue business with the stock companies.

The **Mutual Reserve Life** announces that its provident department was a success last year, and that January opened with a large volume of new business in that department.

The **big diamond** found near Pretoria, South Africa, was **insured** in London Lloyds for $500,000, the largest amount ever taken on a single stone in the rough state.

The State Auditor and Attorney General of Iowa have decided that **live stock** cannot be insured in Iowa against sickness and death, but may be against accident.

The **American, of Newark,** it is stated, is soon to enter a number of Southern States.

Personal.

AGENCY APPOINTMENTS.

Ætna Life: Metzger & Co., general agents for the accident and liability department, Indianapolis, Ind., transferred from T. C. Day & Co.

Home of New York: Harry B. Dolen, special agent in Illinois.

London and Lancashire and Orient: George G. Bulkley, special agent for Pennsylvania, with headquarters at Lancaster.

Michigan Commercial: Edgar R. Smuthe & Co., St. Louis.

National Union: Henry Hall, special agent for Montana, Idaho and Washington, with headquarters at Spokane.

New York Underwriters' Agency: Edward A. Ritt, of St. Paul, special agent for Minnesota and the Dakotas.

United States Fire and Colonial of New York: W. B. Bierce, general agent for Michigan and Wisconsin.

Mr. Henry C. Lippincott, manager of agencies of the Penn Mutual Life insurance company of Philadelphia, completed on Wednesday of this week the thirtieth year of his service with that company. He was born in the Quaker City and after completing his education was admitted to the Pennsylvania bar and practiced until 1869. Removing to Colorado, he taught school, was a miner, wrote for the newspapers and employed his vigorous activity in many and various ways. His connection with the Penn Mutual began on February 1, 1874, and his appointment as manager of agencies was made in January, 1888, after he had served the company in a number of other capacities. Mr. Lippincott is this year one of the special lecturers on insurance before the Wharton School of Finance of the University of Pennsylvania.

Insurance Commissioner O'Brien, of Minnesota, who recently succeeded Mr. Dearth, is complaining that the salary of the office is not enough to warrant his continuance in it unless the Legislature increases the salary. The present pay is $2,500 per annum. The former Commissioner received also the fees for valuations of life policies, but, it is stated, Mr. O'Brien does not feel that he is entitled to them. He has given up a lucrative law practice to take the Commissionership.

Mr. James T. Newell, formerly circulation manager of the *Iron Age,* New York, has been appointed general agent for Greater New York of the Connecticut General Life insurance company of Hartford, and has his office in the Bishop Building, 76 William street. He succeeds Carlough Smith, who has taken the agency of the State of New Jersey for the same company, with headquarters at 196 Market street, Newark.

Mr. A. P. Huggard, an employee of the Corn Products Company in the Davenport, Ia., plant, was severely injured some time ago and has secured a judgment against the company for $27,500. The Employers' Liability Company, which is on the risk to the amount of $5,000, has paid this amount and will not continue the litigation further.

Mr. James E. Tillinghast, vice president of the Equitable Fire and Marine insurance company of Providence, died there on Tuesday after an illness of several months. He was for many years secretary of the company and was only recently advanced to the vice presidency. Mr. Tillinghast was fifty-three years old.

Mr. Thomas I. Alsop, former sub-manager of the Liverpool and London and Globe, died near Liverpool January 11. He retired only last Oc-

tober on account of ill health, after over forty-five years' service with the company. He visited this country occasionally in connection with his duties.

Mr. Fred Mertz, a well known Indianapolis fire insurance agent, died January 28, aged seventy-four years. He was a native of Switzerland and came here in 1862. His son will continue his agency, which was established in 1866.

Miss Jane F. Martin, an agent of the Equitable Life Assurance Society at Little Rock, Ark., was fatally burned by the overturning of an oil stove at her home in that city on January 27. She was thirty-five years old.

Mr. W. H. Mahany has been appointed manager of the Interstate Life Assurance Society for Kentucky to succeed General H. S. Sheldon, who recently resigned to join the staff of the Citizens Life of Louisville, Ky.

Mr. Henry Jefferson, Kentucky State agent of the Continental Fire and head of the Louisville agency of Jefferson, Noyes & Brown, has resigned on account of ill health.

Mr. Henry D. Green, for many years insurance clerk in the office of the State Auditor of Arkansas, has taken service with the Security Fire of Little Rock, Ark.

Senator-elect Morgan G. Bulkeley of Connecticut visited Washington last week and his credentials were presented in the Senate on Saturday by Senator Platt.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

LITTLE ROCK, Ark., January 24.—Mr. Hinkle has introduced a bill providing that all policies of fire insurance issued upon buildings or personal property in Arkansas shall be governed by the laws of said State. And that all insured persons shall be entitled to enforce contracts for fire insurance, sixty days after filing proofs of their loss, and the failure to file proofs of loss within sixty days after a fire shall not be a bar to the enforcement of a liability for loss under said contracts.

LITTLE ROCK, January 27.—House Bill No. 49, by Mr. Raney, relates only to mutual insurance companies incorporated under the laws of Arkansas.

LITTLE ROCK, January 31.—The Butt bill, Senate No. 42, to appropriate $5,000 for expenses of the Attorney General in enforcing the anti-trust law, was passed by a vote of 24 to 4.

California.

SACRAMENTO, Cal., January 30.—Mr. Hartman today introduced a bill in the Assembly making it a misdemeanor for two or more insurance companies doing business in California to combine or enter into a compact. The Insurance Commissioner may investigate and revoke license when a company is found guilty. Five hundred dollars penalty is provided.

Colorado.

DENVER, Col., February 2.—House Bill No. 311, by Mr. Hurd, is identical with Senate Bill No. 249, by Mr. McCarthy, and requires that every insurance company doing business in Colorado shall render annual report of business, assets and liabilities to the Insurance Commissioner, and that every company shall make four insertions of the synopsis of its report in a newspaper published in each county in the State in which the company does business.

Connecticut.

HARTFORD, Conn., February 2.—The Legislative Committee on Capitol furniture and grounds gave a hearing this afternoon on the resolution permitting the Comptroller to insure the marble Capitol Building and contents. The building has never been insured, and a resolution to get it insured was introduced recently by Senator Lake, of this city. He advocated it as a correct business principle at the hearing this afternoon. He suggested a policy for $100,000 or $200,000 on the building without the 80 per cent. clause. The hazard appears to be on the fifth floor, where the restaurant is located, and there is considerable inflammable material. Senator Lake thought $300,000 insurance on the building ought not to cost over $3,500 a year; perhaps less. Comptroller Mitchell is in favor of insuring the building, but asks for legislative authority. After the hearing, the committee inspected the upper portion of the building. The Capitol cost to build, thirty years ago, about $2,500,000.

Senator Bradstreet has presented a bill repealing the law enacted in 1903 which transferred the duties of State fire marshal to the police.

Idaho.

BOISE, Idaho, February 2.—Senate Bill No. 42, introduced today, provides for a uniform policy for fire insurance companies, and prescribes the duties and liabilities of such companies. In the event of a loss on buildings, except a total one, failure to agree on the amount of same shall be referred to three arbitrators. Every policy shall be conclusive evidence of the value of the property, and the company shall be liable for the full amount.

Illinois.

SPRINGFIELD, Ill., January 31.—Senator Hall today introduced a bill providing that foreign fire insurance corporations doing business in this State shall pay to the treasurers of cities, towns and villages 2 per cent. of gross receipts of agencies situated in such city, town or village.

Indiana.

INDIANAPOLIS, Ind., January 26.—The Senate today passed Bill No. 50, by Mr. Hendee, in relation to the investments of life insurance companies. The Senate also passed Senate Bill No. 74, by Mr. Wood, regarding investments. The bill is to take immediate effect.

INDIANAPOLIS, Ind., January 30.—Senator Moore today introduced bill No. 208, to create a fire insurance commission of three persons to be appointed by the Governor, and to have power to fix fair maximum rates on complaint. Their salaries are to be $1,500 each.

No one interested in insurance companies may be a member of this commission. The expenses of the commission are to be proportioned among the companies, both foreign and domestic. Schedules of rates must be filed with the commission at once. There is to be no appeal from this commission and failure to keep within the maximum rates forfeits the right to do business. On complaint that higher rates than those fixed by the commission are charged the prosecuting attorney shall proceed in the Circuit Court to forfeit the charter or right to do business of such company.

Kansas.

The Senate on Thursday created the special committee on insurance, naming J. A. Venness of Lewis County, chairman.

TOPEKA, Kan., February 3.—House Bill No. 279, as follows, has passed the House, with an amendment annulling the present clause in life insurance policy, "that the company shall not be liable if insured commits suicide or contracts a fatal disease" within a given period.

Sec. 1. It shall not be necessary for the beneficiary or holder of any policy or certificate of life insurance to furnish to any insurance company organized under the laws of this State, or authorized by the laws of this State to transact business in this State, any answer to proofs of loss or death which has been answered by the insured in his application for such insurance. The answers in the application of the insured for such purposes

shall be prima facie evidence of the correctness of the matters therein contained.

TOPEKA, Kan., February 2.—House Bill No. 22, by Mr. Allaman, an anti-combine measure, was killed in committee today.

Massachusetts.

BOSTON, Mass., January 26.—House Bill No. 564, accompanying the petition of James H. Mellen, provides that the Insurance Commissioner, the Chief of the Bureau of Statistics or Labor, with three citizens of the State to be named by the Governor, shall constitute a board to consider, investigate and report their opinions, suggestions and findings as to the various systems of insurance conducted in this State by companies, associations and individuals, as to their cost, security, methods and service to the people; if they are as safe as could be, and as economically managed; if there are too many companies; if there are any of the obnoxious trust or monopoly features in any of the systems; if there are extravagance, insecurity, favoritism, wastefulness, too high salaries, a lack of proper safeguards, or unscientific, inefficient methods; if a better method of insurance is possible, one that will reduce the cost to the minimum and insure the greatest safety and security, and extend the blessings of insurance to all the people of the Commonwealth, without being an unfair burden on anyone, or a menace to our institutions.

House Bill No. 446, introduced by the Insurance Committee, provides that in case the first premium has been paid upon a policy of life insurance issued upon the life of an adult, the person to whom the insurance is payable shall be entitled to receive full payment of the amount of the policy, if there has been no default in the payment of any premium at whatever time the death may occur.

House Bill No. 445, accompanying the petition of Walter H. Smith, strikes out from the standard policy the arbitration clause.

House Bill No. 444, accompanying the petition of Parker N. Jenkins, provides for arbitration in cases of disputes in the adjustment of fire losses.

Senate Bill No. 102, accompanying the petition of W. E. Barron, provides for the deposit of $200,000 by foreign insurance companies with the State Treasurer.

Charles I. Pierce has petitioned for a law to prevent the payment of any commission for investing or loaning the funds of insurance companies or savings banks, and any official of such companies who receives a commission for such service is to be regarded as guilty of embezzlement.

Clarence F. Eldredge asks for a law to compel foreign surety companies to deposit with the State Treasurer a sum equal to 10 per cent. of their capital stock as a condition of doing business in this State.

BOSTON, Mass., January 27.—House Bill No. 565, accompanying the petition of George I. Robinson, Jr., and others, provides for the incorporation of the Massachusetts Casualty Company, to be located in Boston, for the purpose of transacting the business of casualty insurance.

House Bill No. 680, accompanying the petition of William L. Chase, provides that no policy issued by a life insurance company transacting business under the provisions of Chapter 118 of the Revised Laws, upon which the insured has paid three annual premiums, shall lapse or be forfeited until six months after a premium is due and payable; nor shall the insured be required to be re-examined as to his health if he pays the premium within six months from the time the fourth or subsequent annual premiums become due.

House Bill No. 677, accompanying the petition of Mark N. Skerrett, provides that all life insurance companies doing business on the participating plan shall make an annual distribution among their policyholders of any profits that may be earned.

House Bill No. 559, accompanying the petition of Peter P. Porter, provides that the Legislature shall use its best efforts to procure an enactment of such law or laws as will fully provide for Federal supervision of insurance companies.

BOSTON, Mass., January 30.—House Bill No. 766, accompanying the petition of Charles L. Peirce, provides that no officer or employee of any life insurance company shall directly or indirectly receive any emolument or commission for investing or loaning the funds or assets, personal, real or mixed, of any life insurance company.

House Bill No. 794, accompanying the petition of Clarence F. Eldredge, regulates surety companies.

In the House a petition from Representative Sheehan, of Holyoke, was presented with a bill providing that no part of the funds of a life insurance company in excess of 5 per cent. of the legal reserve against all its policies shall be invested in the stock or bonds of any one bank or trust company, or in loans on such stock or bonds as collateral, or deposited with such bank or trust company to provide its reserve, and no investment in excess of 5 per cent. shall be allowed by the Insurance Commissioner in determining the legal reserve of the insurance company.

BOSTON, January 31.—The Senate and House have accepted in concurrence the adverse report on the petition (with House Bill No. 259) of Frank L. White for a law to require cities and towns to provide for protecting goods from injury by water or smoke at fires.

BOSTON, Mass., February 1.—The House this afternoon, on motion of Mr. Sheehan, of Holyoke, voted to print the petition of James H. Mellen, asking for the appointment of a commission to investigate the insurance system of the State. There is much interest in the subject.

House Bill No. 864, accompanying the petition of John F. Sheehan, provides that no part of the funds of a life insurance company doing business in this commonwealth to an amount in excess of 5 per centum. of the legal reserve against all its policies, as found by the Insurance Commissioner under the provisions of Section 11 of the Revised Laws, shall be invested in the capital stock or bonds of any one bank or trust company, or in loans on such stock or bonds as collateral or deposited with such bank or trust company for the purpose of providing for its reserve liability as provided for in said section, and so such investment in excess of said amount shall be received or allowed by the Insurance Commissioner in the determination of the legal reserve of such company.

Minnesota.

ST. PAUL, Minn., January 24.—House Bill No. 92, by Mr. Anderson, provides that all fees paid by any life insurance company doing business in this State as compensation for the valuation of the policies, as provided by law, shall be paid by the Insurance Commissioner to the State Treasurer, and the State shall pay therefrom all expenses necessarily incurred by the Commissioner or his deputy or employees in making such valuation.

ST. PAUL, January 30.—House Bill No. 101, by Mr. Armstrong, authorizes Lloyds insurance companies to write sprinkler leakage insurance.

Senate Bill No. 60, by Mr. Cole, an act to provide for a department of insurance, adds to the fees now required by law to be paid to the commissioner $10 for abstracts of statements, $2 for service of suit and no fee for garnishee service.

Missouri.

JEFFERSON CITY, Mo., January 26.—The House Committee on Insurance reported adversely Bill No. 50, the Hays anti-rating bill. This kills it. Mr. Richardson introduced House Bill No.

375 to repeal the anti-coinsurance law. He also introduced House Bill No. 376 to repeal the valued policy law.

JEFFERSON CITY, Mo., January 30.—In the House today two insurance bills were introduced by Mr. Spangler, No. 413 requiring the Superintendent of Insurance to have five years' actual experience as a solicitor or actuary of some standard legal reserve life insurance company, and No. 414 to prohibit dated back policies in life insurance.

JEFFERSON CITY, Mo., February 2.—Mr. Spangler has presented in the House an amendment to the insurance laws which provides that no life insurance company authorized to do business in this State shall enter into an agency contract in Missouri, whereby such person or persons are to receive compensation or any remuneration whatever except such as shall arise from commissions or salaries, or both, the rate of said commission and salaries to be specifically stipulated in writing, and shall be for services actually performed; also it shall not be lawful for any company to enter into a contract with its policyholders whereby it shall appear that such policyholder is to be a special beneficiary of any of the surplus earnings of the company, or any portion of the premiums paid by any other policyholder.

The House Insurance Committee has made a favorable report on the Simmons Bill No. 462, inflicting heavy penalties on unlicensed insurance brokers.

Nevada.

CARSON CITY, Nev., January 31.—Senate Bill No. 12, by Mr. Roff, provides for an annual tax on insurance companies of 1 per cent. of their gross premiums in Nevada, said sum to go towards the salary of the Insurance Commissioner. The bill further provides that the Commissioner may revoke the license of any company which evades the full obligation of its policies, etc. It provides also for the prosecution of fraudulent agents and the companies are made responsible for the acts of agents. A citizen may bring suit against companies for violation of contract in the name of the State. Half of the license money is to go to secure better fire protection in various cities. The bill was referred to the insurance committee. There is at present no tax on insurance premiums in Nevada.

North Carolina.

RALEIGH, N. C., January 25.—Today Senator Scales introduced Senate Bill No. 274, to amend the act of 1901 preventing fire waste. The amendment empowers the Insurance Commissioner to order appointment of fire chiefs in incorporated cities and towns where there are none. It also provides for local inspectors of buildings, the establishment of fire limits, and states requirements for buildings within such limits, as to construction, wiring, etc., and for their inspection.

Senate Bill No. 285 amends the resident agents law.

North Dakota.

BISMARCK, N. Dak., January 31.—A bill introduced in the Legislature today contains an amendment to the valued policy law now in force, extending it to cover personal property as well as real property. The present law covers only the latter. It also provides that the knowledge of the agent shall be held to be that of the company, and that no neglect on the part of a servant or owner of property without the knowledge of the owner shall cause forfeiture, notwithstanding any provisions of the policy. In case of suit it shall be necessary only to prove loss and notice in writing within sixty days. Suit may be brought at any time within five years. The clause giving the company the right to rebuild is vague and in case of total loss would be void of effect.

New Hampshire.

CONCORD, N. H., February 1.—The House Committee on Insurance introduced today and recommended the passage of a bill providing that "It shall be unlawful for any insurance company, corporation or association transacting health or accident business or both, and licensed to do business in the State of New Hampshire, or its officers, employees or agents, to limit by any means or in any manner the time for the service of any notice of occurrence of injury or the beginning of sickness that may be required of person insured to a less period of time than thirty full calendar days."

CONCORD, N. H., February 2.—A House bill introduced February 1 by the Committee on Insurance and recommended for passage provides that it shall be unlawful for any insurance company, corporation or association transacting health or accident business, or both, and licensed to do business in the State of New Hampshire, to limit the time for the service of any notice of the occurrence of injury or the beginning of sickness that may be required of the person insured to a less period of time than thirty full calendar days.

House Bill No. 213, by Mr. Fifield, which has been referred to the Committee on Insurance, provides that every life insurance company doing business in the State of New Hampshire after December 31, 1905, shall invest not less than 75 per cent. of the legal reserve on all policies issued by it after that date on the lives of persons living within this State in loans upon real estate situated within this State, or in other New Hampshire securities to be approved by the Insurance Commissioner and the bank commissioners.

House Bill No. 311, by Samuel M. Couch, which has been referred to the Committee on Insurance, forbids insurance upon the life of any minor under the age of ten years, and provides for a resident agents law and other changes in the insurance laws of the State.

House Bill No. 208, by Mr. Jewell, of Dover, referred to the Committee on Insurance, provides that no life insurance agent shall sell any life insurance contract on the participating plan which does not provide for an annual accounting to the policyholder of the amount of surplus allotted to his policy.

House Bill No. 212, introduced by Mr. Jenkins, and referred to the Committee on Insurance, provides that no policy of life or endowment insurance issued upon the industrial plan shall become forfeit or void for non-payment of premium after premiums have been paid thereon for the term of three consecutive years.

New Jersey.

Mr. Manners has introduced in the Assembly a bill to provide for the establishment of a municipal insurance fund for cities. Its purpose is to raise by taxation a fund by means of which all city property will be kept insured, independently of the insurance companies. The mayor is to appoint three commissioners, to be known as the "Insurance Fund Commissioners," who will serve without compensation for a term of three years each. The bill defines the duties of the commissioners as follows: "They shall at all times keep on hand such sums of money as they may deem sufficient, or have the same invested in such securities as can be sold immediately for cash for the purpose of paying any loss by fire which may occur in any building or property so insured." The bill is being pushed by the Newark city authorities.

New Mexico.

SANTA FE, N. Mex., January 24.—Representative H. H. Howard today introduced House Bill No. 19, which provides that territorial and county officers shall furnish security company bonds, and that the Territory and respective counties shall pay the premiums on such bonds. The bill will very likely pass, as it is an administration measure.

New York.

ALBANY, N. Y., January 26.—Senator Malby today introduced Bill No. 156, amending Section 86 of the insurance law relative to the extra reserve to be charged to employers' liability companies. Two years ago a bill regarding this reserve was introduced. It was declared inadequate and insufficient. It was reintroduced last year, and amended so as to increase the reserve liability. Apparently the Malby bill proposes a still further increase in this reserve liability.

ALBANY, N. Y., February 1.—Senator Ambler today introduced Bill No. 215, amending Section 117 of the insurance laws so as to permit fire insurance corporations to pay dividends in excess of 10 per cent., without the restriction imposed by the present law, which requires that a company shall have, in addition to the amount of its capital stock and all actual outstanding liabilities, an unearned premium fund equal to the "whole amount of premiums received." The Ambler bill changes "whole amount of premiums received" so as to read "unearned premiums."

It is understood that a bill is in preparation to meet the decision of the Court of Appeals in the Provident Savings Life case, which held that the law taxing premiums collected by foreign insurance companies in this State applied only to policies written after the act went into operation. The decision reduced the expected revenues of the State from indirect sources about $700,000. The purpose of the proposed bill is to secure the tax while avoiding the Appeals Court decision.

Oregon.

SALEM, Ore., January 26.—House Bill No. 75, raising the insurance tax from 2 to 4 per cent., was killed in committee. House Bill No. 98, prohibiting combinations, will be reported favorably from the committee on next Monday.

SALEM, Ore., January 31.—House Bill No. 98 has been amended in committee to retain the deposit feature of the present law. This is an anti-combine and anti-board bill.

Washington.

OLYMPIA, Wash., February 2.—The Senate today passed a bill, by Senator Tucker, assessing fire insurance companies doing business in this State 2 per cent. on the gross amount of premiums paid them for the purpose of creating a firemen's relief and pension fund.

Wisconsin.

MADISON, Wis., January 26.—Senate Bill No. 50, introduced by Mr. Froeming, is to provide against the lapses of policies of life insurance companies. Senate Bill No. 45, introduced by Mr. C. H. Smith, provides that no life companies except fraternals shall issue whole life, limited payment or endowment policies unless such policies hereafter issued state the portion of premium to be held by and charged to such company. Bill No. 19, introduced by Senator Froeming, is to prevent the insurance of children less than ten years old.

Miscellany.

Dangers from Gas Leakage and Spontaneous Combustion.

State Fire Marshal Henry D. Davis, of Ohio, has given to the press the following reports on the dangers from gas leakage, gasoline explosions and spontaneous combustion. The articles are exceedingly valuable for their statistics and suggestions for handling dangerous hazards:

Fires reported to the State fire marshal during 1904 as being caused by gas explosion, gas leaks and by explosion, number ninety-four, but many fires reported as from unknown cause are doubtless properly chargeable to gas.

GAS LEAKAGE

under the impervious pavements of cities is a subtle, uncontrollable menace to property and to life as well. Many mysterious conflagrations presenting inexplicable phenomena are due to the presence in houses of gas which has entered through the cellar from a leaking main.

Gas companies anticipate a loss from leaks of 12 to 20 per cent. of all the gas they force into their mains, it being cheaper to bear that loss than to open the streets and repair the pipes. A leakage of 187,000 cubic feet per mile per annum for 4 inch mains or 450,000 feet for 12 inch mains is considered normal. The report of the Massachusetts State Board of Gas and Electric Light Commissions showed that in 1899 the mains in use for gas distribution in that State averaged 4.81 inches in diameter and their leakage for the year was 162,334 cubic feet per mile. The gas companies of Massachusetts are required to report their "gas unaccounted for," which elsewhere is considered a confidential fact.

The authoritative tables of "Field's Analysis of Gas Undertakings" show that in the cities of England the gas leakage is about 500,000 cubic feet per mile of main per annum.

In small towns this gas escapes harmlessly through the earth, except when the ground is frozen, but under the asphalt and stone pavements of the city it is at all times forced along the outside of the main until it finds a fill around a service pipe, which, by reason of its being more open, offers a path of least resistance into the cellar of some house. If the ventilation of the cellar is not ample the gas, being lighter than air, accumulates in coal vaults or between the joists where an accidental spark, the striking of a match or the flame of a candle will ignite it with or without explosion. If the amount of the escaping gas is large it may be found in layers next the ceiling of every story of the house.

AN INSIDIOUS ENEMY.

This insidious enemy gives no warning, because in passing through the earth its olefiants and imperfectly assimilated naphtha vapors which give it odor are filtered out.

An eminent expert in gas leakage, James C. Bayles, M. E., Ph. D., in speaking of the presence in houses of gas from defective mains, in *Insurance Engineering*, said: "The most dangerous characteristic of this filtered gas is that it has little or no odor. None of the gases composing it carries any smell of its own. It is a rattlesnake which has lost its rattle; its power and disposition to strike remain unabated, but it is incapable of giving any warning of its presence or purpose. In buildings fronting on asphalted streets it is rarely looked for in vain."

Air containing 7 to 30 per cent. of this gas will explode from a spark and generate heat enough to set fire to any readily inflammable material near it. That a fire started from the ignition of gas is often difficult to prove is because it leaves no ashes of its own. Conflagrations from gas have often been characterized as heat explosions. If companies which manufacture gas can afford so heavy a loss of their product rather than make repairs in mains, how much leakage may companies furnishing natural gas be tempted to stand?

FIRE LOSSES FROM GASOLINE EXPLOSIONS.

The reckless use of gasoline in Ohio caused 395 fires during 1904, 396 in 1903, 473 in 1901. The many appalling accounts of persons being burned to death by explosions of this product of petroleum does not seem to have taught the people a proper appreciation of its power to destroy. They are, perhaps, not aware that the vapor arising from gasoline when mixed in a proportion of over 7 per cent. with the air is one of the most dangerous explosives. The liability of powder to explode in handling is but slight if compared with that of gasoline.

At the ordinary temperature of a dwelling, gasoline continually gives off inflammable vapor and a light, a spark or a lighted cigar within a distance of 10 feet from the material may ignite it through its vapor which explodes. The vapor from one pint of gasoline will, in the absence of free ventilation, make 200 cubic feet of air explosive. It depends upon the proportion of air and vapor whether it becomes a burning gas or an explosive. The

danger does not lie so much in the devices for its use as in having it about. The widespread practice of using it for cleaning purposes is reckless indeed, for aside from its making the surrounding air explosive the friction from rubbing textile fabrics in it may produce an electrical spark which will ignite it and set the room ablaze. A recent circular from the National Board of Fire Underwriters carries expert advice relative to the handling of gasoline devices.

SPONTANEOUS COMBUSTION.

Spontaneous combustion, which is charged with 139 fires in 1904, is doubtless the cause of a number of those reported as "unknown," and of some of those reported as incendiary. It is detected, if at all, before the flames have destroyed the evidence of its cause.

The term spontaneous combustion literally means the burning of a substance from causes inherent in itself, but it is commonly used to indicate the burning of inflammable bodies without the application of fire.

Some substances oxidize at the ordinary temperature of the air, the process going on so slowly that little heat is produced, but when the oxidizable matter is spread out over bodies that are fibrous or spongy non-conductors, which expose very extensive surfaces to the air, the combination goes on rapidly and heat accumulates until it is sufficiently intense to ignite the interior of the mass.

Spontaneous combustion results from the chemical combustion of two or more substances, which produces a sufficient heat to ignite them. The oils, like linseed, which dry rapidly by the absorption of oxygen from the air, furnish the largest number of cases.

RAGS AND SAWDUST.

Rags, sawdust or scraps of silk saturated with linseed oil will burn within ten hours; or if saturated with olive or cottonseed oil will burn within six hours. The time elapsing before the occurrence of spontaneous combustion is lengthened by free ventilation and shortened by the materials being surrounded by non-conducting matter. Animal or vegetable fats or oils are liable to get into any collection of rubbish and cause a fire, the source of which can only be surmised.

Moisture promotes spontaneous combustion, as is shown by the burning of barns from the igniting of damp hay; the burning of houses by the igniting of damp ashes and wet coal, and conflagrations in warehouses from moist cotton.

OATMEAL AND VEGETABLE SUBSTANCES.

Oatmeal or bran and many other vegetable substances if damp and without free air will ignite. Substances confined in wooden boxes may oxidize and set the box afire before they are hot enough to ignite themselves, or, they may in heating form gases which will ignite when air is admitted by the opening of the box.

Rags which have been used to wipe excess of oil from the sewing machine, for reoiling furniture or woodwork, or which are soiled with fresh paint are liable to take fire, especially if they are thrown into a closet where there is no current of air, or left in the sunshine or in a warm place. Greasy rags used in nest building by rats, mice and birds which build in the eaves of houses have been the origin of many fires.

THE HAM BAG.

The sugar cured ham bag if forced into association with disreputable odds and ends of scrap waste is likely to make it hot for its neighbors. The eminent president of a Boston fire insurance company, Mr. Edward Atkinson, amiably tells a story on himself which runs something like this:

He was awakened by the noises of a chemical fire engine operating upon a shed attached to his own house, from which a blaze was issuing. Investigation showed the fire to have originated in a barrel of excelsior and other rubbish, at the bottom of which was a greasy ham casing. And this near his kerosene tank. Being a policyholder in the company of which he was president he was obliged to report the fire to himself. This he did in these words: "This member had been warned by the president that if he permitted combustible material to be put away in wooden barrels his policy would immediately be cancelled."

The facts about spontaneous combustion of matches, coal, dyestuffs, charcoal, lampblack, celluloid, milk, dust, wheat, waterproof cloaks, sawdust, excelsior, iron filings, tanbark, lime and from acids leaking on clothes or furs will be given hereafter.

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of December, 1904:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$294,072	$119,448	$413,510
Connecticut General Life	17,737	5.000	22.737
Connecticut Mutual Life	438,759	19,981	458,740
Equitable Life, Des Moines	17,584	.....	17.584
Equitable Life, New York	1,814,296	450,443	2,264,739
Germania Life	226,873	216,832	443,705
Home Life	94,131	31,274	125.405
*John Hancock Mutual Life	365,426	5,128	370,554
Manhattan Life	113,094	47,997	161,091
Maryland Life	13,660	500	14,160
Massachusetts Mutual Life	177,692	18,710	196,402
*Metropolitan Life	1,316,640	9,500	1,326,140
Michigan Mutual Life	54,802	5,643	60.445
Mutual Benefit Life	392,616	105,167	49?,783
Mutual Life, New York	1,940,619	641,834	2,582,453
National Life U. S. A.	51,991	.....	51,991
National Life, Vermont	52,442	81,544	133,986
Nederlands (U. S. Branch)	4,185	... ..	4,185
New York Life	2,152,122	340,484	2,492,606
Northwestern Mutual Life	517,803	90,325	608,128
Pacific Mutual Life	.....	.....	.....
Penn Mutual Life	262,318	168,157	430,475
Phœnix Mutual Life	111,901	25,580	137,481
Provident Life and Trust	.....	.....	.....
Provident Savings Life, New York	209.635	.....	209.635
†Prudential	944,650	6,624	951,274
State Mutual Life	157,537	11,086	168,623
Travelers	128,038	23,150	151,188
Union Central Life	.....	.....	.....
Union Mutual Life	41,214	9,468	50 682
United States Life	60.687	17,138	77.825
Washington Life	59,565	142,214	201,777
Totals	$12,032,087	$2,593,217	$14,625.304

* Partially industrial insurance. † Report includes both industrial and ordinary business.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to December 31, 1904, inclusive, by the life insurance companies whose monthly reports are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$62,673,254	$28,679.763	$91,353,017
1865	Connecticut General Life	3,401,601	1,161,435	4,563.036
1846	Connecticut Mutual Life	123,325,466	16,403,776	139,729.242
1867	Equitable Life, Des Moines	1,183,868	283 889	1.467.757
1859	Equitable Life, New York	250,613 558	30,157,494	280,771.052
1860	Germania Life	29,349,765	10,850.533	40,200.298
1860	Home Life	14,460 654	3,608,889	18,069.543
1862	*John Hancock Mutual Life	34,691,501	2,106,076	36,797.577
1850	Manhattan Life	33,267,769	5,658,815	38,926,584
1864	Maryland Life	2,870,895	234,104	3.104 999
1851	Massachusetts Mutual Life	27,185,870	4,488,549	31,674,419
1867	*Metropolitan Life	135,128,486	811,782	135,940,268
1867	Michigan Mutual Life	6,349,611	3,054,376	9,403.987
1845	Mutual Benefit Life	109,285,251	12,517,027	121,802 278
1843	Mutual Life, New York	1,940,619	541,834	2,582.453
1868	National Life U. S. A.	7,438,050	351,439	7,789.489
1850	National Life, Vermont	13,943.154	2,206,795	16,149.949
1893	Nederlands Life (U. S. Branch)	1,315.772	.....	1,315,772
1845	New York Life	216,674,748	48,648.030	265.322,778
1857	Northwestern Mutual Life	78,532,516	20,189,123	98.721,639
1868	Pacific Mutual Life	6,075,827	1,243,336	7.319,163
1847	Penn Mutual Life	38,424,964	7,593,878	46,018,842
1851	Phœnix Mutual Life	25,418,647	4,927,651	30,346.298
1865	Provident Life and Trust	20,739,055	13,822 510	34.561.565
1875	Provident Savings Life, N. Y.	19,328,262	11,955	19,340,217
1876	†Prudential	83.360,035	182,594	83,542.629
1845	State Mutual Life	12,855.338	2.624,823	15.480,161
1866	Travelers	17,186,219	3,881,861	21.068,080
1867	Union Central Life	14,024,564	3,674.689	17,699,253
1849	Union Mutual Life	18,294,896	6,017,727	24.312,623
1850	United States Life	16,681.153	2,376,458	19.057,611
1860	Washington Life	20,836,428	8,923,219	29,759,647
	Totals	$1,755,362,353	$314,748,468	$2,070,110.821

* Partially industrial business. † Report includes both industrial and ordinary business.

Fifty-ninth Annual Report of the Connecticut Mutual Life Insurance Company.

To the Members:

The experience of the Connecticut Mutual in its fifty-ninth year was satisfactory and may be thus outlined: Some increase in the new business written, in the amount of business in force, in premium income, in interest and rents, in assets and a surplus; a somewhat heavier mortality than in the preceding year, though still considerably less than that expected, giving a saving of $252,823, with no outstanding contested claims; a considerable decrease in the amount and cost of foreclosed real estate; a recovery in the market value of other securities of over $576,000 as against the shrinkage of about $770,000 in 1903; a reduction in the ratio of expense to income; a sound condition throughout. The company continues in that steady, full tide of beneficent operation which has for so many years distinguished it among all others, by administrative methods which hold always one grand object in view: a maximum of result to its beneficiaries at a minimum of cost to its policyholders, each and all.

All details will be found in the financial statement which accompanies this report.

AN INTERESTING SUMMARY.

A summary of the operations of fifty-nine years may be stated thus: Received from policyholders, $232,759,264.33; returned to policyholders and their beneficiaries, $234,353,488.98, or $1,594,224.65 more than the amount received from them; with assets in hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American life insurance company.

PERSISTENCE OF BUSINESS.

As for many years past, a most gratifying feature of our experience has been the persistence of our business. It has been no small factor in the company's prosperity. Business which goes off rapidly can be replaced rapidly only at an undue cost. Business which stays costs little, and permits the taking of new business sufficient for a uniform good experience at such moderate cost as does not disturb the favorable average. That is one of the simple secrets of the Connecticut Mutual's unequaled success.

NEW BUSINESS; ITS CHARACTER AND COST.

The new business of the year somewhat exceeded that of 1903, and also exceeded the amount of business ceasing, so that there was some increase in the amount of force. The new business was selected with our usual constant care to take only such risks as are likely to give the same favorable mortality experience which has been so large a factor in reducing the actual yearly cost of our insurance hitherto; and it has been taken on the same low basis of cost which has been directly reflected in our large dividends to policyholders throughout the company's lifetime.

To the faithful agents who in the midst of a thoroughly demoralized competition, and despite the always pressing temptation of much higher commissions and allowances from others, choose to abide steadfast in our service because of its greater value to those whose need they sincerely seek to serve, there is due alike from the management and from the policyholders benefited thereby the distinct and constant recognition of the high, unselfish quality of their labors for the greater good of the whole membership.

RELATION OF MORTALITY TO NEW BUSINESS.

The public is often given to understand that as a large and rapid influx of new business tends for a time to keep down the average age of the business as a whole and so to make the death losses appear a smaller percentage of the whole amount at risk, it really give a comparatively better mortality experience, and therefore justifies its abnormal cost. This is not true. It belies the whole basis and structure of life insurance. It is worth a moment's examination:

Take 10,000 sound men, aged thirty, insured for $10,000 each, or $100,000,000, altogether. We know within safe limits how many of these men will die each year until all are gone; we charge each one the premium adequate to meet that rate of loss, and from the premiums make the proper reserves. The first year only eighty-four will die, the company will pay out $840,000, or only eighty-four one-hundredths of 1 per cent. of the amount at risk; twenty years later there will be 8,180 of these men living, with $81,800,000 at risk; 124 of them will die that year, the company will pay out $1,240,000, or 1½ per cent. of the amount at risk; in the fortieth year 4,418 will be living, with $44,180,000 at risk, 265 will die, the company will pay out $2,650,000, or about 6 per cent. of the amount at risk; in the fiftieth year there will be 1,770 living, with $17,700,000 at risk, 230 will die, the company will pay out $2,300,000, or 13 per cent. of the amount at risk; in the sixtieth year only 216 will be living, with $2,160,000 at risk, sixty-three will die, the company will pay out $630,000, or about 30 per cent. of the amount at risk. But the mortality which in the sixtieth year of the business calls for 30 per cent. of the amount at risk is just as normal and just as favorable to the company as that which in the first year called for only eighty-four one-hundredths of 1 per cent.; and if the company has charged the proper premiums and kept the proper reserves it is just as well prepared to pay the 30 per cent. as it was to pay the eighty-four one-hundredths of 1 per cent.; and if the business was well selected and well located the chances for a mortality more favorable than that calculated for, with a consequent saving on losses, have been equally good all the way through.

No amount of forcing at whatever cost can always keep the inflow of new business greater than the outgo of the old. In the nature of things the day will inevitably come with any company when its amount at risk must come to a practical standstill and the age of its business, and the consequent ratio of its death losses to the amount at risk, reach the maximum average. In that day the greater the amount at risk and the higher the cost at which it was obtained, the greater will be the struggle and the higher the cost of keeping it at even a standstill.

SECURITIES.

The corporate securities held by us are of the highest class. Their par value is $25,361,070; they cost $25,685,116 and are worth in the market $26,694,418, or $1,009,302 more than their cost and $1,333,348 more than their par value. The year 1903 saw an almost unprecedented shrinkage in the market value of such securities, that upon our own holding aggregating $770,000. The past year has seen a large recovery toward what may generally be regarded as an average normal valuation. Some of our securities affected by the shrinkage have been sold; the recovery on those still held is over $576,000.

REAL ESTATE AND LOANS.

One of the most remarkable, as it was the most unforeseen, incident of the financial history of the last two decades has been the changes wrought in the conditions affecting the values of city real estate, caused mainly by the development of street car service. Before the advent of the electric trolley living at a distance from business centres was difficult and expensive. Population tended to gather compactly in the near proximity. It spread only as it was forced outward by the spread of business. This tended to both increase and steadiness in values and to certainty in their realization. Today the electric street car with its speed, its comfort and its accessibility, the free mail delivery and the telephone, have largely reversed the conditions and are leading the population to spread out freely in search of space, light, air, more privacy and cheaper land. The older settled parts of most of our larger cities thus find themselves in an active competition which can be met only by a reduction in prices which but a few years ago were justified by every measurable condition then in sight. For obvious reasons this great change has caused individual losses which have led to many foreclosures of loans justifiably made under former conditions of higher and supposedly stable values, and the dullness of the real estate market, due in some part to the continued operation of the changes noted, has in many cases compelled the lender to become the owner of the security.

In all this experience this company has had its share along with others. It now has foreclosed real estate which cost it $8,678,593. This is being gradually absorbed; some at a profit, some at a loss. Among our liabilities we carry an item for contingent depreciation of about $350,000. We intend to make no unnecessary sacrifices. So far our profit and loss account on foreclosed real estate as a whole is $1,368,943 to the good.

In our present more limited loans upon this class of property we are taking such account of the conditions referred to as we believe will guard against a future repetition of past experiences.

Notwithstanding the conditions which have changed and unsettled real estate values in many localities, and which are still in progress, it may well be that when they shall have become more completely developed and their operations more fully defined and their inherent limitations better understood, real estate,

on the resultant basis of values, may recover much of its former favor, especially in view of the growing difficulties in obtaining out of the great flood of corporate securities those of a thoroughly conservative character and for which the future demand is likely to be far greater than any possible supply. The funds asking thoroughly safe investment, whether by savings banks, insurance companies, trustees of institutions and estates, or private individuals, need to have available every form of security that offers a stable basis of income and of ultimate value.

THE BUSINESS IDEAL OF THE CONNECTICUT MUTUAL.

Every business or enterprise undertaken for a distinct and particular service to the public, and which assumes to offer men something they truly need, and something for which those who need it should be willing to pay its true and necessary cost, carries within itself an ideal of method peculiar and necessary to the purpose intended, appropriate and effective to the form of result intended and essential to its perfect realization.

Especially is this true of mutual life insurance. It takes note of the great fact that he who has married a wife and made her dependent on him, and brought into the world helpless children yet more dependent, has assumed toward them and toward society itself a responsibility not only for their daily bread but for all the manifold needs of their whole dependent future, which he cannot shirk and remain a true man; a responsibility which, in the great majority of cases, it takes his whole normal lifetime rightly to discharge, and one which his earlier decease must leave unfulfilled, to the great loss and injury of his dependent ones. And the risk, the danger of this loss, rests upon them day by day and every day. In the great majority of cases there is in hand no financial provision fully adequate and available to replace for all their future that which his family would lose in his death. There is but one way in which that provision can be made at once and kept always ready and secure. He must insure his life for the benefit of those who will lose by its loss. In no otherwise can his responsibility be fulfilled for their whole future, which is as much his to provide for as is their present.

And it is this which we offer to do for him, for them: to take his money while he lives, and to the fullest extent that money, much or little, enables us to provide for them when he is gone. It is a sober undertaking; it is his duty; it is our trust. And because it is his duty, and a transaction whose benefit goes to others but whose burden falls on him, and in order that the benefit may be as great as possible to those who need it, and that in proportion to the benefit given the burden on him may be as small as possible, we offer to do the business on the mutual plan; to make no profit out of it for stockholders, but to charge him a premium which is certain to be adequate, and then, year by year, by careful selection of risks, by proper investment of reserves, and by economy in expenses, to save as much of that premium as possible and return it to him year by year, so that each year he gets his insurance at its actual yearly cost to the company.

And the full meaning of mutuality is, that what the plan does for one it does equally for each one. It does not set up a scheme of deferred dividends for twenty years, make each man pay his full premium each year regardless of what the actual cost has been for the year, make him leave with the company each year's surplus from his premiums, to be forfeited if he dies or lapses, and to be finally divided up by the one-third—more or less—of those who survive and pay throughout the term; a speculation by each one in what he hopes he may not lose but someone else will; a pool to which all contribute, but which a few only will divide; a gamble as to who those few shall be. True mutuality in life insurance does not thus seek to favor a few at the expense of the many—to give the few what the many have lost. It charges each man a premium proportioned to his risk, and so charges every man alike. It ascertains each year each man's like proportion of the actual cost of the whole year's operation; and, returning to each man what he has paid in excess of his due part of that cost, gives to every policyholder alike his insurance at its actual cost, with no discrimination in favor of anyone, with no hardship upon anyone. Each pays his own actual cost; each gets back his own contribution to the surplus created by all alike.

That is the ideal purpose and that is the ideal method—the actual "square deal" of mutual life insurance.

How truly and steadfastly the Connecticut Mutual has held to these ideals, and in what unequaled measure it has realized for its members and for their beneficiaries their best result, is told through all its history, and each recurring year witnesses it anew.

Respectfully submitted,

JACOB L. GREENE, President.

JANUARY 23, 1905.

59th Annual Statement

OF THE

CONNECTICUT MUTUAL

LIFE INSURANCE COMPANY

Of HARTFORD, CONN.

Net Assets, January 1, 1904		$63,211,528.89
RECEIVED IN 1904.		
For Premiums	$5,411,377.44	
For Interest and Rents	2,958,582.95	
		8,369,960.39
		$71,581,489.28
DISBURSED IN 1904.		
For Claims by Death, Matured Endowments and Annuities	$5,430,800.32	
Surplus Returned to Policyholders	1,151,427.43	
Lapsed and Surrendered Policies	652,367.07	
Total to Policyholders	$7,234,594.82	
Commissions to Agents, Salaries, Medical Examiners' Fees, Printing, Advertising, Legal, Real Estate, all other expenses	1,000,830.29	
Taxes	387,279.47	
Profit and Loss	37,409.10	
		8,660,113.68
Balance Net Assets, December 31, 1904		$62,921,375.60
SCHEDULE OF ASSETS.		
Loans upon Real Estate, First Lien		$24,752,965.08
Loans upon Stocks and Bonds		30,000.00
Loans upon Policies of this Company		178,800.00
Premium Notes on Policies in Force		512,020.08
Cost of Home Office Property		1,916,236.00
Cost of Real Estate Owned by Company		8,678,593.03
Cost of Bonds		24,856,039.76
Cost of Bank and Railroad Stocks		829,076.25
Cash in Banks		1,166,761.50
Bill Receivable		225.56
Agents' Debit Balances		658.34
		$62,921,375.60
Add		
Interest Due and Accrued	$912,697.01	
Rents Due and Accrued	14,311.92	
Market Value of Stocks and Bonds over Cost	1,009,301.99	
Net Uncollected and Deferred Premiums	368,038.91	
	$2,304,349.83	
Less Bills Receivable and Agents' Debit Balances	883.90	
		$2,303,465.93
Admitted Assets, December 31, 1904		$65,224,841.53
LIABILITIES.		
Amount Required to Reinsure all Outstanding Policies, net, Company's Standard	$58,229,205.00	
All Other Liabilities	2,166,939.89	
		$60,396,144.89
Surplus		$4,828,696.64
Ratio of Expenses of Management to Receipts in 1904		11.96 per cent.
Policies in Force December 31, 1904, 70,454, insuring		$167,167,515.00

JACOB L. GREENE, President. HERBERT H. WHITE, Secretary.
JOHN M. TAYLOR, Vice-President. DANIEL H. WELLS, Actuary.

1905. 60th Annual Statement of The Mutual Benefit Life Insurance Company, Newark, N. J.

FREDERICK FRELINGHUYSEN, President.

ASSETS, JANUARY 1, 1905.		
Cash on hand and in Banks		$1,172,329.91
Loans on Collateral, U. S. Bonds and other securities		1,957,450.00
United States and other Bonds, par		22,994,401.33
First Bonds and Mortgages on Real Estate		46,302,397.97
Real Estate		3,109,690.97
Loans on Policies in Force		13,494,901.42
Agents' Balances and Cash Obligations		70,419.77
		$89,101,591.37
Interest due and accrued	$1,621,010.63	
Net deferred and unreported premiums on Policies in force	1,118,143.40	2,739,154.03
Total		$91,840,745.40

LIABILITIES.		
Reserve Fund, according to the Actuaries' and American Tables of Mortality with 4 and 3 per cent. interest	$84,530,194.00	
Policy Claims in process of adjustment	194,587.33	
Deferred Endowment Claims	120,440.83	
Deferred Death Claims	122,214.49	
Present value of $357,258.84 hereafter payable on Matured Instalment Bonds	274,609.55	
Allowance for Unpresented and Contingent Claims	325,000.00	
Dividends due and unpaid	294,220.04	
Premiums paid in advance	56,961.06	85,918,227.30
Surplus		$5,922,518.10
Market Value of Bonds over par		$1,397,044.87
Assets on Market Value Basis		93,237,790.27
Surplus on Market Value Basis		7,319,562.97
Policies issued and revived in 1904		26,801
Insuring		$54,801,703.00
Policies in force January 1, 1905		155,009
Insuring		$363,801,084.00

RECEIPTS IN 1904.		
Premiums		$13,702,830.74
Interest		3,956,131.43
Rents		174,106.72
Profit on sales of foreclosed Real Estate		14,697.65
Total Receipts		$17,847,766.54
Balance January 1, 1904		83,901,850.44
		$101,749,616.98

EXPENDITURES IN 1904.		
Death Claims	$5,081,321.91	
Endowments	1,293,830.92	
Annuities	120,694.45	
Surrendered Policies	1,438,159.44	
Dividends or Return Premiums	1,920,774.55	
Total Paid Policyholders		$9,854,781.27
Taxes on Real Estate	$52,800.03	
Other Taxes, Fees and Licenses	401,113.44	
Real Estate Expenses	56,533.00	
Investment Expenses	41,328.67	
Medical Expenses	150,584.26	
Legal Expenses	45,852.12	
Commissions and Agency Expenses	1,498,977.59	
Salaries and other Office Expenses	368,144.69	
Advertising, Printing and Postage	108,649.23	
Total Expenses and Taxes		$2,723,983.03
Premiums on Bonds Purchased		69,261.31
Total Expenditures		$12,648,025.61
Balance January 1, 1905		89,101,591.37
		$101,749,616.98

INCREASE IN 1904 OVER 1903.	
In Premium Receipts	$1,029,957.39
In Total Receipts	1,244,332.61
In Amount Paid Policyholders	556,992.37
In Assets, Par Values	5,444,838.78
In Assets, Market Values	5,778,901.15
In Surplus, Par Values	274,658.39
In Surplus, Market Values	608,720.76
In Insurance Issued and Revived	6,953,653.00
In Outstanding Insurance	26,337,523.00

Ratio of Expenses and Taxes to Total Income, 1904, 15.26 per cent.; 1903, 15.27 per cent.

DIRECTORS:

AMZI DODD. FRED'K M. SHEPARD, BLOOMFIELD J. MILLER, J. WILLIAM CLARK,
EDWARD H. WRIGHT, FRED'K FRELINGHUYSEN, ROBT. F. BALLANTINE, JOHN O. H. PITNEY,
MARCUS L. WARD, ALBERT B. CARLTON, EDWARD L. DOBBINS, JOHN R. HARDIN.

1849 LARGEST FIRE INSURANCE COMPANY Chartered by the State of Massachusetts. **1905**

Incorporated 1849. Charter Perpetual.

SPRINGFIELD

Fire and Marine Insurance Company

OF SPRINGFIELD, MASS.

CASH CAPITAL, . $2,000,000.00.

ANNUAL STATEMENT, January 1, 1905.

ASSETS.		
Cash on hand, in Banks and Cash Items		$470,491.74
Cash in hands of Agents and in course of transmission		573,331.88
Rents and Accrued Interest		46,675.54
Real Estate Unincumbered		421,000.00
Loans on Mortgage (first lien)		548,424.00
Loans on Collateral Security		16,100.00
Bank Stocks Market Value		850,270.00
Railroad Stocks " "		2,189,150.00
Miscellaneous Stocks " "		985,375.00
Railroad Bonds " "		178,580.00
Miscellaneous Bonds " "		167,500.00
TOTAL ASSETS		$6,446,898.16

LIABILITIES.	
CAPITAL STOCK	$2,000,000.00
Reserve for Reinsurance	2,630,601.04
Reserve for all unsettled Claims	241,310.94
TOTAL LIABILITIES	$4,871,911.98
NET SURPLUS	1,574,986.18
SURPLUS AS REGARDS POLICYHOLDERS	3,574,986.18
LOSSES PAID SINCE ORGANIZATION	34,404,520.58
Conflagration losses at Baltimore, Rochester and Toronto	512,480.00

A. W. DAMON, President. W. J. MACKAY, Secretary.
CHAS. E. GALACAR, Vice President. F. H. WILLIAMS, Treasurer.

Western Department, Chicago, Ill.
A. J. HARDING, Manager.
A. F. DEAN, Ass't Manager. W. A. BLODGETT, 2d Ass't Manager.

Pacific Coast Department, San Francisco, Cal.
GEO. D. DORNIN, Manager.
GEO. W. DORNIN, Ass't Mgr. JOHN C. DORNIN, 2d Ass't Mgr.

Agencies in all Prominent Localities throughout the United States.

FIFTY-FOURTH ANNUAL STATEMENT

OF THE

Phœnix Mutual Life

INSURANCE COMPANY

OF HARTFORD, CONN.

January 1, 1905.

ASSETS.	
First Mortgage on Real Estate	$10,983,855.28
Home Office Property	265,000.00
Other Real Estate owned by the Company	409,441.19
Stocks and Bonds	4,602,747.60
Premium Notes and Loans on Policies	1,282,162.45
Cash in Company's Office	157.10
Cash in Banks	449,821.81
Interest accrued and due	219,156.09
Net Deferred and Outstanding Premiums	311,858.90
	$18,524,200.42

LIABILITIES.	
Reserve on Policies in force (at 4, 3½ and 3 per cent.)	$17,456,288.00
Claims by Death, papers complete	None.
Claims by Death, papers incomplete and notified Claims	31,471.00
Instalment Claim Liability	26,839.00
Premiums paid in advance	23,084.00
Special Reserve Funds	183,914.00
Surplus or Additional Guarantee over and above all computed and contingent liabilities	802,604.42
Total	$18,524,200.42

Policies in Force, 49,914. Increase for year, 3,837.
Insurance in Force, $82,288,671.
Increase for year, $5,625,604.

JOHN M. HOLCOMBE, President.
WILLIAM A. MOORE, First Vice President.
ARCHIBALD A. WELCH, Second Vice President and Actuary.
SILAS H. CORNWELL, Secretary.
GEORGE S. MILLER, Supt. of Agencies.
WINSLOW RUSSELL, Asst. Supt. of Agencies.
WM. D. MORGAN, Medical Director.

FIFTY-SEVENTH ANNUAL STATEMENT

OF THE

PENN MUTUAL LIFE

Insurance Company of Philadelphia.

Net Assets, January 1, 1904, at book value		$58,641,032.70
RECEIPTS DURING THE YEAR:		
For Premiums and Annuities	$13,318,584.22	
For Interest, etc	3,456,917.36	16,775,501.58
		$75,416,534.28
DISBURSEMENTS:		
Claims by Death	$3,161,732.75	
Matured Endowments and Annuities	1,320,032.86	
Surrender Values	980,462.26	
*Premium Abatements	880,546.64	
Total Paid Policyholders	$6,342,774.51	
Instalment Payments	100,709.05	
Pennsylvania and other State Taxes	398,536.25	
Salaries, Medical Fees, Office and Legal Expenses	524,304.06	
Commissions to Agents and Rents	1,821,268.90	
Agency and other Expenses	119,083.82	
Advertising, Printing and Supplies	97,643.48	
Office Furniture, Maintenance of Properties, etc.	145,556.79	9,549,876.86
Net Assets, January 1, 1905		$65,866,657.42

*In addition to the above abatements the Company allotted to deferred dividend policies $594,444.09, making the total apportionment of surplus during 1904 $1,474,990.73.

Added to Reserve, $6,176,744.00.

ASSETS:		
City Loans, Railroad and other Bonds (Market value $26,917,150.00)		$26,314,205.50
Bank and other Stocks (Market value, $524,152.50)		487,610.37
Mortgages and Ground Rents, First Liens (Valuation $58,000,000)		24,528,104.02
Premium Notes, secured by Policies, etc. (Reserve value, $2,500,000)		1,589,899.36
Policy Loans (Reserve value, $8,000,000)		5,994,192.00
Loans on Bonds, Stocks, etc. (Market value, $6,400,000)		2,984,719.50
Home Office, Boston Office and other Real Estate		3,042,105.24
Cash in Banks, Trust Companies and on hand		925,821.43
Net Ledger Assets		$65,866,657.42
Net Deferred and Unreported Premiums		1,797,712.96
Interest Due and Accrued, etc		617,521.50
Market Value of Stocks and Bonds over cost		639,486.63
Gross Assets, January 1, 1905		$68,921,378.51

LIABILITIES:		
Reserve at 3, 3½ and 4 per cent		$59,387,410.00
Death Claims reported, but awaiting proof		341,095.36
Surplus on Unreported Policies, etc		232,252.67
Surplus Accumulated upon Special Forms of Policies	$4,320,593.86	
Surplus for all other Contingencies	4,640,026.62	
Total Surplus		8,960,620.48
Gross Assets, as above		$68,921,378.51
New Business of the Year, 33,871 Policies for		80,386,199.00
Insurance Outstanding, December 31, 1904, 145,286 Policies for		342,676,444.00

HARRY F. WEST, President.
GEORGE K. JOHNSON, Vice President.
LINCOLN K. PASSMORE, 2d Vice President.
WILLIAM H. KINGSLEY, Secretary and Treasurer.
JESSE J. BARKER, Actuary.

Life, Accident, Liability and Health Insurance

55TH ANNUAL STATEMENT

(CONDENSED)

Ætna Life Insurance Co.

HARTFORD, CONN.

MORGAN G. BULKELEY, President.

THE LEADING INSURANCE COMPANY IN NEW ENGLAND AND THE LARGEST IN THE WORLD WRITING LIFE, ACCIDENT, LIABILITY AND HEALTH INSURANCE.

Assets, January 1, 1905	$73,696,178.81
Premium receipts in 1904	12,868,922.77
Interest and other receipts in 1904	3,062,633.99
Total receipts in 1904	15,931,556.76
Payments to Policyholders in 1904	6,971,793.55
Legal Reserve on Policies, and all claims	64,845,752.16
Special Reserve, in addition to Reserve above given.	2,294,786.00
Life Insurance issued, revived and paid for in 1904.	28,856,967.00
Life Insurance in force January 1, 1905	237,304,739.00
Accident Insurance in force January 1, 1905	217,236,164.66

Guaranteed Fund in Excess of Requirements by Company's Standard, . . $6,555,640.65

Guaranteed Fund in Excess of Legal Requirements, ... $8,850,426.65

Paid Policyholders Since Organization:

$145,918,246.86.

Great Gains in Business during 1904.

Increase in Assets	$5,628,316.16
Increase in Guarantee Fund over Requirements	883,884.10
Increase in Premium Income	1,135,668.90
Increase in Total Income	1,372,682.20
Increase in Life Insurance Issued and Paid for	2,225,105.00
Increase in Life Insurance in Force	14,001,862.00
Increase in Accident Insurance in Force	8,618,926.66

LIFE DEPARTMENT.

MOWRY & PATTERSON, Managers, 46 Cedar St., New York.
HENRY M. ECHLIN, General Agent, 1170 Broadway, New York.
W. C. WEBSTER, General Agent, 1135 Broadway, New York.

ACCIDENT AND LIABILITY DEPARTMENT.

STERLING, FRENCH & STERLING, Managers Accident Business,
J. R. PITCHER, Manager, Liability Business 46 Cedar St., New York.
J. B. ARNOLD, Manager Eastern Railway Department Accident Business, Irving Building, New York.

New England Mutual

LIFE INSURANCE CO.,

Post Office Square, BOSTON, MASS.

Statement of Business for 1904.

Ledger Assets January 1, 1904		$33,547,470.43
RECEIPTS.		
For Premiums	$5,339,227.21	
For Interest and Rents	1,631,708.75	
Profit and Loss	8,426.81	
Present Value of Death Claims under Policies which became payable in Instalments in 1904	67,808.00	7,047,170.77
		$40,594,641.20
DISBURSEMENTS.		
Death Claims	$2,063,186.80	
Instalment Claims	16,144.00	
Matured and Discounted Endowments	286,870.00	
Cancelled and Surrendered Policies.	513,806.55	
Distribution of Surplus	579,423.03	
Total paid to Policyholders	$3,459,430.38	
Amount paid for Commissions to Agents, Salaries, Medical Fees, Advertising, Printing, Stationery, Taxes and all expenses at the Home Office and at Agencies	1,300,213.62	4,759,644.00
Ledger Assets, January 1, 1905		$35,834,997.20
Market Value of Securities over Ledger Cost	$1,606,927.00	
Interest and Rents accrued January 1, 1905	205,708.19	
Net Premiums in course of collection	676,790.34	2,489,425.53
Gross Assets, January 1, 1905		$38,324,422.73
LIABILITIES.		
Reserve at Massachusetts standard, 3½ and 4 per cent	$33,967,929.75	
Present Value of Future Instalments on Matured Policies	109,437.94	
Balance of Distributions unpaid	263,123.90	
Death and Endowment Claims approved	59,208.00	
Death Losses reported awaiting proofs	205,737.00	
Premiums paid in advance	32,859.89	34,638,296.48
		$3,686,126.25

BENJ. F. STEVENS, President.
ALFRED D. FOSTER, Vice President.
S. F. TRULL, Secretary.
WM. B. TURNER, Assistant Secretary.
S. H. WHITELEY, Manager New York Office, 220 Broadway.

1829 CHARTER PERPETUAL. 1905

FRANKLIN

FIRE INSURANCE COMPANY

OF

PHILADELPHIA.

Capital	$400,000.00
Insurance Reserve	1,604,141.88
Unpaid Losses, Dividends, etc	99,762.58
Net Surplus	925,188.00
Total Assets, January 1, 1905	$3,029,092.46

OFFICERS:

JAS. W. McALLISTER, President.
GEORGE F. REGER, Vice President.
EZRA T. CRESSON, Secretary. SAMUEL K. REGER, Assist. Secretary.

DIRECTORS:

James W. McAllister, George A. Heyl, Geo. Fales Baker, M. D., John Sailer, George F. Reger, Joseph Moore, Jr., Harry A. Berwind, Samuel Y. Heebner, Andrew F. Derr, John Story Jenks.

AGENCY DEPARTMENT:

ROBERT H. WASS, Manager.
JOHN M. DREDGER, Secretary.

How's Your Backbone? Can You Stand Alone?

Agents who can answer "strong" and "yes" to the above questions and who want to be advanced more than they want advances, can secure splendid contracts with liberal renewal commission guarantees from the

Security Trust and Life Insurance Co.

BROADWAY and 26th STREET, NEW YORK.

Hon. R. E. PATTISON, President.
Hon. GEO. B. LUPER, 2d Vice-President and General Manager.

ADDRESS FOR TERMS

Moore Sanborn, 4th Vice-President and Manager of Agencies.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, Secretaries.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 10 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston and St. Louis.

ASSETS, $105,656,311.60

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1903 averaged in number one for each minute and a third of each business day of 8 hours each, and in amount $89 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1903:

359 per day in number of Claims Paid.

6,297 per day in number of Policies issued.

$1,303,559.06 per day in New Insurance Written.

$98,582,76 per day in Payments to Policy-holders and addition to Reserve.

$53,841.18 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$48,175,913.27
Bonds and Mortgages,	31,814,193.06
Real Estate,	14,835,140.61
Cash,	5,301,220.90
Loans to Policyholders,	1,850,144.14
Premiums deferred and in course of collection (net)	3,000,401.30
Accrued Interest, Rents, etc.	679,298.32
	$105,656,311.60

LIABILITIES.

Reinsurance Fund and Special Reserves,	$94,008,251.00
All other Liabilities,	956,188.04
Capital and Surplus,	10,691,872.56
	$105,656,311.60

Paid to Policy-holders since Organization, plus the Amount now Invested for their Security, ... $238,295,968.84

Number of Policies in Force, . . . 7,523,915

Amount of Outstanding Insurance, . . $1,342,381,457.00 Amount of Insurance Issued in 1903, . . $398,889,074.00

RECORD OF GROWTH IN TEN YEAR PERIODS

	Income	Assets	Surplus	Pols. in Force	Outstanding Ins.	
1883—	$2,082,619.05	$2,186,622.24	$627,368.24	531,048	$63,425,107.00—	1883
1893—	15,216,236.65	19,343,705.06	4,109,689.92	2,940,226	353,177,217.00—	1893
1903—	49,887,804.11	105,656,311.60	10,691,872.56	7,523,915	1,342,381,457.00—	1903

In its Ordinary Department policies are issued for from $1,000 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice-President.
GEORGE H. GASTON, 2d Vice-Pres.
GEORGE B. WOODWARD, 3d Vice-Pres.
FRANK O. AYRES, 4th Vice-Pres.
JAMES M. CRAIG, Actuary.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

THE METROPOLITAN PLATE GLASS AND CASUALTY INSURANCE COMPANY OF NEW YORK.

Home Office: 47 Cedar St.

Chartered 1874. The Oldest New York Company in Its Line.

Assets, January 1, 1904, $591,813.08.
Surplus to Policyholders, 389,895.29.

Plate Glass and Personal Accident Policies

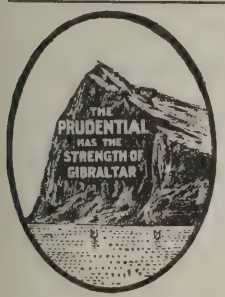
OF THE MOST APPROVED FORMS.

EUGENE H. WINSLOW, President, DANIEL D. WHITNEY, Vice-Pres't
S. WM. BURTON, Secretary. ALONZO G. BROOKS, Ass't Sec'y.

RELIABLE AND ENERGETIC AGENTS WANTED.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men. The Grand Prize was awarded the Prudential at the St. Louis Exposition.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1904.

Assets, held in the U. S. for the special protection of its American Policy-holders. $8,520,383.40

Liabilities, ... 5,204,870.83

Net Surplus, January 1st, 1904, $3,315,512.57

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

Liverpool & London & Globe Ins. Co.,

ESTABLISHED, 1836. ENTERED THE UNITED STATES, 1848.

NEW YORK OFFICE:
WILLIAM & PINE STREETS.

NEW ENGLAND, NEW YORK, PENNSYLVANIA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH AND SOUTH CAROLINA.

H. W. EATON, Resident Manager.
GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Superintendent.

CHICAGO OFFICE:
203—205 LA SALLE STREET

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, COLORADO, DAKOTA, KANSAS, NEBRASKA, MONTANA, UTAH, WYOMING AND NEW MEXICO, INDIAN AND OKLAHOMA TERRITORIES.

W. S. WARREN, Resident Secretary.
GEO. H. MOORE, J. V. THOMAS, } Assistant Secretaries.

NEW ORLEANS OFFICE:
Corner CARONDELET AND GRAVIER STREETS.

LOUISIANA, MISSISSIPPI, ALABAMA, GEORGIA, FLORIDA, TEXAS.

CLARENCE F. LOW, Resident Secretary.
J. G. PEPPER, Assistant Secretary.

SAN FRANCISCO OFFICE:
422 CALIFORNIA STREET.

CALIFORNIA, NEVADA, OREGON, WASHINGTON, IDAHO, ARIZONA

CHARLES D. HAVEN, Resident Manager.
C. MASON KINNE, Assistant Secretary.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y

Telephone: 3894 John.

FORTY-FOURTH YEAR.

The Agricultural Insurance Company of Watertown, N.Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$25,500,000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
NET SURPLUS	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

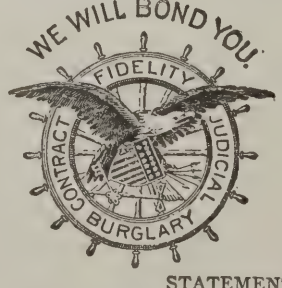
ASSETS—January 1, 1904	$33,590,999.39
LIABILITIES	30,943,508.01
SURPLUS	2,647,491.38

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Vice-President.

New York Office: Empire Building, 71 Broadway.

GEORGE J. WIGHT, Manager of Agents for Southern New York



THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1904

On the 1st of March, 1904, **The Connecticut Mutual** reached a stage in its history very interesting to its management and its members, and one which is unique in the history of American Life Insurance.

On that date, but little more than fifty-eight years from its organization, it had received from its members in premiums the sum of $228,376,268, and had returned to them or their beneficiaries $228,724,073, or $347,805 more than it had received from them.

The Connecticut Mutual is the first American Life Insurance Company to return to its members one hundred per cent. of its receipts from them. And it holds besides $65,000,000 of assets, with a surplus of over $4,600,000, to protect over 70,000 policy-holders insured for over $166,000,000.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		**$11,290,773.87**
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President — EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. — BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. — T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY
OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, President.

Assets (Market Values) January 1, 1904	$87,458,889.12
Liabilities	80,748,046.91
Surplus	6,710,842.23

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

Provident Life and Trust Co.
OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

The Mutual Life

Insurance Company of New York

RICHARD A. McCURDY, President

Abstract of Statement, December 31, 1904

Income for Year 1904, . .	$81,002,984 57
Paid to Policy-holders, . .	34,726,548 34
Legal Reserves, etc., . .	366,620,552 73
Guarantee & Dividend Funds,	74,357,818 43
Assets, ...	440,978,371 16
*Insurance in Force, .	1,547,611,660 00
*Increase of Insurance, . .	102,382,979 00
Annuities in Force, . .	2,636,419 46
Increase of Annuities, . .	236,787 65

*Insurance written, but not yet paid for, excluded

From its Organization in 1843 up to December 31, 1904, The Mutual Life Insurance Company of New York has paid to and accumulated for its Policy-holders over One Thousand One Hundred and Six Millions of Dollars ($1,106,701,837), which is nearly Two Hundred and Nineteen Millions more than any other company has accomplished

Its Accumulated Assets of $440,978,371.16 are nearly Thirty-one Millions more than those of any other company

For information as to plans and rates, apply to

CHARLES H. RAYMOND & CO., Managers,

26 LIBERTY STREET, NEW YORK.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. SATURDAY, FEBRUARY 11, 1905. No. 6.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

Entered at the New York, N. Y., Post Office as second class matter.

WE publish on the back page of this week's issue the annual statement of the Washington Life insurance company. It has been prepared by the new administration, and therefore it is a true and exact account of the present condition of the company and of its business in 1904. The policyholders' surplus is given as $575,316. It is a *genuine* surplus. It is a great gratification to be able to say that the company's condition is sound, that the management is honest and capable, and that there is now no reason apparent why the Washington Life is not worthy of the full confidence of the public, and destined to an honorable and prosperous hereafter.

Some weeks ago we commended a plan adopted by the local fire insurance agents of Missouri to bring about the repeal of the anti-compact law of that State. The plan consisted in the organization of a movement in every legislative district, every agent therein bringing to bear his personal influence on his own member. This proposition, so hopeful of results, came to a halt because it was accompanied by the condition that the law should be repealed only so far as it affected the combination by companies to fix the rates, and that the right to make them should inure to the agents themselves. To this the companies would not agree. They are not ready yet to relinquish the control of their business to others, however much they may esteem them for their ability and fidelity. We are glad to note that the local agents have abandoned their untenable position and that an agreement has been reached in a harmonious conference in Chicago this week that all the parties concerned shall work for the entire repeal of the law. There can never be a question that the companies will not be largely influenced by the views and advice of their agents in the imposition of rates in their respective localities. The interests of the two are substantially the same.

THE mutual plan of fire insurance, so much lauded by amateur underwriters in the daily papers as a means of securing cheap rates, has experienced a setback among the Iowa manufacturers, whose association at its annual meeting at Cedar Rapids last week voted, practically with unanimity, to have none of it, and to stick to the protection provided by the stock companies. The conclusions of the hundred or more representatives of the manufacturing interests of Iowa were expressed in the following statement in a Cedar Rapids paper:

> There is no doubt that the delegates to the manufacturers' convention would like to see a mutual company organized and the rates of insurance cut 'way down, but they know, to their entire satisfaction, as was forcibly expressed in the meeting, that the idea is practical only to a very limited degree; that when it comes to covering the millions of dollars' worth of manufacturing property in Iowa with mutual insurance, it is absolutely unsafe from two standpoints: first, the uncertainty that any proportion of assessments would be paid in the event of a big loss; and, second, because every concern taking this sort of insurance would buy an unlimited liability and be holden for all and more than it was worth in the event that its associates should refuse to pay their assessments. Even the gentleman whom the manufacturers' association had specially delegated to make a report on the advisability of organizing a mutual company admitted that there is no way by which members can be obliged to "stand up to the rack"; that when the assessments begin to come in a little thick they take to the tall timber and get out from under.

The delusion that mutual insurance will supply protection at bargain counter rates is founded, of course, on the success of the mill mutuals in their specialty. When the mill mutuals undertake to write a general business at less than the average stock rates, it will be time enough to desert the stock companies. The Iowa manufacturers have looked into the problem, and before their eyes has been unfolded the experience of the thousands of mutuals that have struggled and died bequeathing disappointment, loss of insurance and liability for indebtedness to their members, and the lesson has been effective. Well enough in the old way is good enough to be let alone.

WE suspect that the agitation in Congress this week over the bill to regulate railroad rates by the Interstate Commerce Commission has not had the effect of sharpening the appetite of our fire underwriters for national supervision of insurance. It must occur to them quite naturally that if Federal control over railroads means Federal rate making, Federal control of insurance must logically mean the regulation of fire insurance rates by that authority. The objections that have been raised by the opponents of the bill in Congress to its adoption are the same as those that underwriters, apprehensive of the rate making effects of national supervision, must feel, and they were voiced by Mr. McCall, a Republican representative of Massachusetts, when he said in his speech of Monday in the House:

> I am opposed to the bill because of its tendency tremendously to increase the power of the Government at Washington. Liberty is only compatible in this country with keeping the management of their affairs near to the people, where they can see how they are conducted. I do not care to see created at Washington a "Little Father," as there is one at St. Petersburg.

Discussion by the press, if not in Congress, is developing a sentiment of opposition to the further extension of power to the general Government by taking it away from the States, which bids fair to check the tendency. Discussion is also bringing out a realization of the difficulties which would attend the assumption of the rate making function by a Federal commission. It is now recalled by the *Journal of Commerce* that a select com-

mittee of the Senate in 1886 made a report on the proposed fixing of railroad rates by legislation, which said:

Those who have asked the adoption of this plan of regulation have suggested the establishing of rates by a commission; but it is questionable whether a commission or any similar body of men could successfully perform a work of such magnitude, involving as it would infinite labor and investigation, exact knowledge as to thousands of details, and the adjustment of a vast variety of conflicting interests.

How closely this reasoning also applies to insurance rating need not be pointed out. No commission such as would be appointed by the general Government could possibly determine questions which exercise to the utmost the wits of hundreds of men trained by years of observation and study of fire insurance in practice. It is no answer that underwriters may depend on the disposition of a Government commission to fairly hear both sides and refrain from any action that would materially injure an interest so great as insurance. A commission of reasonable men would no doubt strive to do right; but on the other hand commissions may be "obdurate, unreasonable, incompetent or openly Populistic and Grangerite. The assumption that the appointing power will always be wise and conservative is not a safe one. If the power to fix rates be once lodged in the hands of a Federal commission it will stay there—there will be no escape." A "benevolent despot" may be bearable, but there can be no assurance under our elective system of government that the despot we have created will always be benevolent toward our particular interest.

Facts and Opinions.

English insurance journals are full of the breakdown of the **Nelson tea pension scheme,** which collapse was predicted when the plan was first started. As will be remembered, any married woman who bought her portion of tea regularly for a certain length of time from Nelson & Co., on becoming a widow received a small pension from the firm. The advertising and sale of tea gained by the plan was immense, but as the number of pensions increased rapidly, particularly in the last year or so, the drain upon the company's resources became very heavy in addition to the large liability, daily increasing. The company was obliged to decrease the amount of the pensions. Weekly payments of 10 shillings dropped gradually to 2 shillings and 5 shilling pensions to 1 shilling, at which measures the pensioners brought civil actions to enforce the original contracts. The latest move of the Nelson Company has been to appoint Mr. George King, F. I. A., vice president of the Institute of Actuaries, as temporary trustee of the pension insurance fund, and to stop for the present all payments. An effort will now be made to put the plan on an actuarial basis for the pensions already existing, which, however, can only be done on a reduced scale. The number of widows affected is about 19,000. The latest announcement by the tea merchant insurers is as follows:

DEAR MADAME—The directors have been legally advised that, in consequence of the litigation that is now pending against the company, they are not justified in distributing the share of profits under the purchase card until some order is made by the court. In the meantime, these moneys will be placed to the widows' pension fund account, and carefully preserved for payment in due course. Negotiations are now proceeding with the object of placing the whole business on a thoroughly sound and profitable basis for the customers. We rely on your continued support, and we anticipate that in the course of two or three weeks we shall be able to make an announcement which will be satisfactory to all concerned.

At the trial of the **Caine insurance case** in Louisville last week and this, Attorney Ronald, who represented the insurance company, said that it would be shown that Paul Caine had at the time of his death an income of less than $100 a month, and that he was juggling $89,000 of insurance, which he was wholly incapable of carrying in a normal way. It would also be shown, he said, that Caine had been saved from disgrace during the life of his father by a contribution of $18,000 by John Caine to cover discrepancies in Paul Caine's accounts as trustee of the jury fund. It would also be shown that he had signed his mother's name and pledged certain stock to the Southern National Bank, for which he was being pushed for an explanation and settlement. Mr. Ronald said that Caine had expected to take his life, and had made frequent threats to do so. When the case was called the company filed an amended answer, containing the allegation that Caine came to his death through suicide. It is claimed that this was done by taking a poison which induced cramps when he went for his morning swim in the Ohio River near Fincastle on July 23, 1903. This amended answer was in keeping with Judge O'Doherty's ruling that unless suicide were specifically pleaded it could not be proved. Attorney Carroll, who represented the estate, said that three witnesses, whose names he would not yet disclose, would testify that they saw Caine undress, fold his clothes and swim about for fifteen minutes. This is intended to refute the poison idea, since it is to be assumed that the normal condition would not have lasted so long. A number of life and accident policies held by Mr. Caine and originally contested both upon the suicide theory and other reasons have been compromised. It is believed that they have yielded Mr. Caine's family upward of $40,000. One other life insurance case is pending in the Court of Appeals.

The committee on **fraternal insurance** of the National Convention of Insurance Commissioners reports that after two conferences with representatives of the two general organizations of fraternal orders, the last one being in New York on January 27, the conferees failed to agree on certain essential points in the proposed uniform bill for the regulation of the fraternal business. The committee makes the following statement of the results of the last conference:

It developed that the commissioners were unalterably opposed to the granting by the fraternal orders of any benefits except death and disability, unless the rates and reserves to be maintained be measured by some adequate standard. The Fraternal Congress would not consent to inserting any such standard in the bill, but were not opposed to every society's promising whatever benefit it pleased, without such standard. The Associated Fraternities would consent to no bill restricting the benefits to those above named, and were not adverse to a provision for valuation.

As the commissioners would not give up the principle of valuation, if dividends, cash surrender values, limited payment policies, paid up or extended insurance, etc., were to be promised, and the Associated Fraternities declined to consent to any bill which did not permit the offering of such benefits and the National Fraternal Congress would not consider the introduction of a valuation provision for such benefits, although it would not affect them if they did not choose to offer such benefits, it was impossible to come to a full agreement.

This much, however, was accomplished: Nearly all the proposed sections were agreed upon by the commissioners' and the National Fraternal Congress representatives, and many of these provisions were not repugnant to the views of the Associated Fraternities. If the provisions upon which there is agreement are enacted into law, wherever there is fraternal legislation hereafter, it will be an important step toward uniformity, and your committee trusts important enough to make the time spent and the effort made to bring this about worth what it cost.

The new Insurance Commissioner of Minnesota, Mr. T. D. O'Brien, was a guest at the annual **banquet of the Minneapolis Association of Life Underwriters** on January 20. Chairman G. R. Laybourn, of the Senate Insurance Committee, was also a guest of honor. The new Insurance Commissioner was introduced by President Van Slyke after he had been the recipient of numerous verbal bouquets. His reply to the welcome was short and contained no intimation of his policy save that he

purposed to learn the business thoroughly. He said that up to this time he had been engaged in the practice of law and had been accustomed to talk and not to be talked to. He illustrated his present position by the story of the young man who asked a young lady to dance with him. She said: "Why, I don't know you." "I am taking no more chances than you are," replied the youth; "I do know you." In a more sober vein Mr. O'Brien said that Minnesota had passed beyond frontier conditions. A State with a fair name was the great consideration. He expressed the desire to have the agents feel glad to co-operate with him to that end, and said he would be as glad to meet them later officially as he had already unofficially. State Senator Laybourn referred briefly to the fact that no insurance legislation had come up at this session. Five years ago he had had charge of the insurance code, which passed the House and failed in the Senate. He hoped that the companies represented at the dinner would be as solid and enduring as the rocky hills of Duluth, from whence he came. Whereupon Mr. Van Slyke gave vent to the hope that Mr. Laybourn would see to it that the State got no rocky insurance legislation.

A conference was held this week between Mayor McClellan and Chairman Frank R. Chambers, of the committee of the Merchants' Association of New York appointed to co-operate with the mayor in the establishment of an auxiliary **high pressure water service** for protection against fire. A special report has been made to the association by a civil engineer appointed for the purpose, detailing the plans developed by the Water Department to this end and the work already done. Mr. Foster Crowell was intrusted with the making of this report and from it the committee has made certain recommendations to the mayor. The committee urges that the plan be not restricted to a certain district in Manhattan, but extended up into the retail dry goods district and to certain localities in Brooklyn fully as important. The committee also urges the installation of outside sprinklers and that the hydrants of the new system be so arranged as to be available for flushing the streets, to the general benefit of the city's health. Action by the fire department to improve the alarm service is also urged. The location of pumping stations may involve action by the Dock Department and the Building Department and the matter of outside sprinkers will also come within the jurisdiction of the latter department. The committee urges the preparation of comprehensive plans and the immediate co-operation of all the city officials in the fulfillment of the proposed improvements.

The following **decisions** were handed down this week in the courts **at Nashville,** Tenn.:

Metropolitan Life Insurance Company vs. Mrs. Ada O'Leary, Davidson law.—This was a suit to recover on a life insurance policy issued in 1903, insured dying in 1904. Judgment for plaintiff below. The first premium was paid in cash, and when the second fell due the agent of the company agreed to extend the time. It was insisted by the company that the policy is void for non-payment of premium, as the terms of the policy provide that non-payment shall void the policy, and that any agreement for an extension made by an agent is not binding, as it is provided that the terms of the policy cannot be varied by an agent. When an agent has the authority to solicit insurance, write out applications, deliver policies and collect first and subsequent premiums, and sometimes accepts past due premiums, he has ostensible general authority, and binds his principal when acting in the general scope of his authority. Affirmed.

J. H. Crowley, for the use of W. W. Scovel and W. R. Manier vs. Netherlands Insurance Company. Davidson, equity—Suit to recover on a fire insurance policy. W. W. Scovel sold a house and lot to J. H. Crowley, on which there was a mortgage in favor of W. R. Manier. The house was insured in the defendant company, and burned while in the possession of Crowley. Previous to the fire Scovel had brought an unlawful detainer suit against Crowley on account of his default in the payment of the purchase notes, but though he recovered a judgment he did not dispossess him. The company resisted payment on the ground that the policy provided if the title or possession be changed, unless there be an agreement in writing, policy became void. Decree below in favor of Crowley. An unlawful detainer judgment affects merely the possession of the property, and does not make void a conveyance, and in this case the insured was not even dispossessed. Affirmed.

No one considering fire events in New England during the past six weeks or so can fail to be impressed with the number of **places of amusement,** theatre, town hall, "opera house," or whatever they may be termed, that have either been threatened, damaged or destroyed by the flames. Only last week there were two occurrences of this kind in the near lying cities of Haverhill and Salem. Each of these was caused by the catching fire of the celluloid film in a moving picture machine. In the case at Haverhill a panic was quelled by the presence of mind of the performers, the fire extinguished, and the performance went on. At Salem the audience managed to get out because of the additional exits provided under the new theatre law, but the building and contents, valued at $100,000 and well insured, were burned. It would seem that these occurrences, happening so near to each other and only a day or two apart in time, ought to put an end to the efforts of the lobby, which is endeavoring at Boston State House to have the new Massachusetts theatre law emasculated in the interests of all too thrifty owners of such establishments. At any rate, such efforts ought not to have a ghost of a chance with legislators who have any decent sentiments of humanity, or, to put it on a lower ground, are wise to what is best for their political advancement.

"Let us all try and be more appreciative of true virtue, and sing its praises whenever we discover it. Let somebody announce the hymn." *A worried and cranky contemporary.*

Hymn 711, New Series.

(Tune, *"For a' that and a' that."*)

Hour after hour, hour after hour,
In the days of the M. R.'s pride and flower
I made its trembling minions cower.
But now I boost it with all my power,
Hour after hour.

Day after day, day after day,
I grind my grist in the same old way.
I squeak the most when I've nothing to say;
And when I'm saddest I am most gay,
Day after day.

Week after week, week after week,
On reams of paper my thoughts I speak.
By turns I rage and by turns am meek.
So I garner the sausage links long and sleek,
Week after week.

Refrain.

Oh, must I evermore tear my hair,
To retract the roasts in "Harper's Prayer"?
O, for the life of the calmful clam,
Who says what he thinks, without quibble or sham!

An agreement has been reached between the **company managers and the local agents in Missouri** which will permit effective co-operation in securing relief from adverse legislation in that State. Heretofore the two interests have been unable to agree, the managers claiming that the local agents were demanding too much authority in the matter of rate making. The governing committee of the Western Union appointed a special committee, however, made up of I. S. Blackwelder, of the Niagara; George W. Law, of the Royal, and Sol. E. Waggoner, of the Citizens of Missouri, which held a conference with George D. Markham, president of the Missouri Association of Local Agents; H. M. Blossom, president of the St. Louis association, and others, and finally reached an agreement. The agents wanted to push a bill substituting for the anti-compact law a law permitting the agents to make agreements on rating schedules, but did not legalize the same sort of arrangement among the companies them-

selves. This was strongly antagonized by the companies and was finally abandoned by the agents. The insurance men will now work together, using the machinery of the local agents' organization to secure the repeal of the anti-compact and anti-coinsurance laws.

A call has been issued for a meeting of the officers and executive committee of the **National Association of Local Fire Insurance Agents,** at Pittsburgh on Friday and Saturday, February 24 and 25. The headquarters will be at the Henry. The first session will be held on Friday, at 10:30 o'clock a. m., for officers and committeemen. At 3 p. m. Friday there will be a general session, open to all in attendance, and a cordial invitation has been extended to all members of national and State fire insurance associations who desire to participate in the conference. Important questions relating to the welfare of the association will be considered, among them the question of co-operation with the companies; national supervision; the competition of brokers; local boards as the unit of organization, and company annexes as related to the sole agency question. Reports from the grievance committee relative to charges of overhead writing at Fort Collins, and from the executive committee relative to the next annual meeting, will be made. There will probably also be reports from Missouri concerning the agreement reached with the companies as to anti-compact legislation.

We don't find him in "Who's Who," or the Encyclopedia, but he certainly ought to be. He is a wonder. The *Cincinnati Enquirer* says of him:

Calvin Ferris Troupe, the life insurance writer, who left for New York last evening after a few days' stay at the Grand, is an old Ohio boy. He says: "I have visited the capital of every continental country and the islands of the seas writing life insurance and was on one trip three years. I insured King Edward, who is probably the largest insured man in Europe, about fourteen years ago when he was Prince of Wales, by special engagement at Buckingham Palace for £20,000—$100,000. He was as plain and unpretentious in his manner and as approachable as a farmer. I addressed him as 'Your Royal Highness' and he me as 'Mr.' He handed me one of his strong cigars and after a pleasant side chat got to business. The largest insurance I ever wrote on any one man was for $1,200,000. The most heavily insured man in the United States is Rodney Wanamaker, son of John A. Wanamaker, who carries $3,200,000. Next week I go to the City of Mexico to visit my half brother, George Fackler, formerly of Cincinnati, who now has an income of $75,000 to $80,000 a year from a cigarette manufacturing machine which he purchased for $1,500. The stock of that machine, another merged with it, pays a dividend of 40 per cent. Returning to insurance, I wrote President Garfield and President Hayes the same day in the old Kennard House, in Cleveland. I wrote Sir Wilfred Laurier, the Canadian Premier."

A Minneapolis dispatch says that an attempt will probably be made by a legislative committee to recover $63,073, **collected from life insurance companies by ex-Commissioner Dearth** for valuation of their policies during his four years in office. The new commissioner, Mr. O'Brien, while he declines to collect these fees himself, justifies the action of his predecessor as legal. He said to a representative of the Minneapolis *Journal*:

Under the statutes of this State, as they stand now, the State is entitled to no part of the fee paid by the company to the actuary for such valuations. I cannot see that my predecessor, Mr. Dearth, is subject to the slightest criticism because the actuarial fees collected from insurance companies for valuing policies, during the past four years, were not turned in to the State Treasurer; in fact, under the law, I do not see how such a course could have been adopted.

Commissioner O'Brien favors the repeal of the valuation fee law so far as it provides a revenue for the insurance department and advocates an increase of the salary of the commissioner to an adequate sum.

It was generally decided by the fire insurance companies doing business in **Arkansas** to await the opinion of counsel before taking action in reference to the **anti-trust law.** A number of opinions have been received from competent lawyers in New York, Chicago and Little Rock that the extra territorial feature of the act kills it. It is probable, however, that many of the companies will take the advice of the committee on laws of the national board and withhold application for license and renewal of bond on March 1, when present licenses expire. A Chicago special of Thursday to the *Journal of Commerce* says:

A conference of Western managers having jurisdiction in Arkansas was held today in the office of the Hartford to consider the opinions that had been secured on the constitutionality of the King Anti-Compact law, which goes into effect next month. Both opinions held that the law was unconstitutional and that the penalties provided would not be imposed. The companies are disposed to go slow, however, as each day of violation carries a separate fine. Advices are now being awaited from the East, as the National Board of Fire Underwriters has taken up the matter.

The annual statement of the **Phœnix Mutual Life insurance company** of Hartford shows the assets of that strong and well managed company to be $18,524,200; its reserves on policies in force, $17,456,288; and its surplus, $802,604. On December 31, 1904, the company had 49,914 policies in force, covering insurances of $82,288,671, an increase over last year of 3,837 policies, amounting to $5,625,604. This is the first annual statement to be signed by President John M. Holcombe, who was recently elected to that office after a long service as vice president. His experience adapts him admirably to the executive post, and all interested in the progress of this conservative company may confidently look forward to steady increase along all lines of its business. The detailed statement published in our advertising columns last week will not suffer by comparison with other companies of the same size, and in many respects stands at the head.

The annual meeting of the **South Atlantic Life insurance company** of Richmond, Va., was held last week and Louis T. Dobie was re-elected secretary. He was also made a member of the board of directors. The office of general manager of the company, recently resigned by W. R. Harper, who became general agent for the Equitable, has been abolished. President B. B. Munford resigned on account of the pressure of other business and Mr. Edmund Strudwick was elected to succeed him. Tucker Carrington was elected treasurer.

The **Life Underwriters' Association of Central New York** has elected the following officers: President, F. E. McMullen; first vice president, C. M. Henderson; second vice president, B. G. Bennett; secretary, Clay Babcock; treasurer, J. V. Alexander. Executive committee—E. R. Putnam, M. R. Miller, H. J. Emerson, R. F. Moody and Franklin P. Ely. The annual dinner of the association will take place February 11.

The **effrontery of Jesse L. Rogers,** promoter of the "Hartford Fire insurance company of South McAllister, Ind. Ter.," and elsewhere, in seeking an injunction against Postmaster Wilcox, of New York city, to prevent the enforcement of the recent fraud order forbidding him the use of the mails, was met on Saturday last by his rearrest under an indictment found Thursday of last week for misuse of the mails. He was arrested in the Federal Building, where he had appeared to press the hearing on his injunction against the postmaster. The charge this time is made by the Hartford Fire insurance company, upon whose name and reputation Rogers has been trading. The latter was released in $1,000 cash bail and his motion for an injunction was postponed a week on the understanding that Rogers' mail would be meantime held at the Union Square post office.

South Dakota public authorities are claiming a victory in the Supreme Court of the United States in the **anti-compact case,** in which the Hartford Fire and Phenix of Brooklyn were the defendants. Information has been received that the appeal in the case has been dismissed. It is believed, however, that the court took this action because it has before it the Iowa anti-compact case, which is similar in its nature and in which argument is yet to be heard. A Chicago dispatch to the *Journal of Commerce* says:

In fact the South Dakota case was dismissed in order to clear the way for the Iowa case. Both were before the Supreme Court, but in Iowa the decision was favorable to the companies, while in South Dakota it was against them, and in other regards the Iowa case is regarded as more favorable for the companies to go to trial on. If the decision is against the anti-compact law principle, that will dispose of the South Dakota case anyhow, while if it is not the case may be reinstated.

The attorneys for **Frank F. Holmes & Co.,** in their litigation with the Chicago Underwriters' Association, have filed a printed brief of forty pages with the court. The attorneys for the association will now have an opportunity of answering this, and the number of citations involved will probably delay the decision for some weeks. Some interest is added to the situation by the fact that Frank F. Holmes & Co. have recently had printed and have circulated among their friends the articles of incorporation, charter and bylaws of the old Chicago Board of Underwriters, the concern which preceded the Chicago Underwriters' Association. It is understood that this is done with the belief that in case the present association should be declared in opposition to the laws, the old Chicago board would be revived to carry on the work of rating.

The **State Life** insurance company of Indianapolis has just published its annual statement as of December 31, 1904, which marks a decade of consistent growth. The company now has admitted assets of $3,160,083, surplus of $544,585, and $60,148,994 insurance in force. Its income last year was $2,244,033, and the company has on deposit with the Auditor of State $2,700,000 for the protection of its policyholders. The pyramidal table of comparisons presented elsewhere shows in interesting form the successive progress of this company, year by year. The officers are: Andrew M. Sweeney, president; Samuel Quinn, vice president; Charles F. Coffin, second vice president, and Wilbur S. Wynn, secretary.

At the time of the **suspension of the First National Bank of Conneaut,** Ohio, on January 20, there were $15,239.57 of city funds in the bank, this amount with interest being bonded to the city by the American Surety Company on behalf of the bank by a $60,000 bond. Under a strict construction the company could have made a defense on the loss, as the city violated certain provisions concerning the deposits, but after an investigation Manager Diggs, of the American Surety at Cleveland, recommended full payment of the claim, amounting in all to $9,219, which payment was made four days after filing of claim. The city fathers were so pleased with the prompt settlement that they passed a formal vote of thanks to the company and to Mr. Diggs.

The **Illinois Life** has closed leases which now make possible the completion of its long cherished plan for the erection of a **big office building in Chicago**. The structure is to be the second largest in the city, at the corner of Madison and LaSalle streets, and is to be twenty stories high. The company originally projected a building on the site of the Oriental Block, which was acquired by it when it took over the Mutual Life of Kentucky, but it desired to secure adjoining property so as to be able to reach the corner. It has now taken long term leases, which give it the entire southeast quarter of the block, covering 28,569 square feet. The location is one of the best in Chicago.

A **sixteen year old firebug,** Raymond Bowman, of Charleston, S. C., confessed last week to having set fire to a half dozen or more hay and grain warehouses in that city. Eight such fires occurred within one week, causing losses of over $25,000. The lad has a record for petty thefts and waywardness. He was discovered from the fact that he was always the one to announce the fire and also revisited the scenes of the fires and made inquiries as to the amount of damage. He confessed to setting several of the blazes suspected against him. He was in the habit of loitering about stores and warehouses until he found that nobody was looking, when he lit a match and simply touched off any inflammable material that happened to be at hand.

At a meeting of the directors of the **Washington Life insurance company,** held February 4, the resignations of Chas. H. Ludington, H. T. Hitch, G. S. Thompson, F. H. Von Stack and Payne Whitney as directors were accepted, and the following persons were elected to fill vacancies: E. B. Thomas, president Lehigh Valley Railway; S. P. Colt, president Industrial Trust Company, Providence; H. Ward Ford, treasurer Windsor Trust Company; James A. Parker, vice president Old Colony Trust Company; Charles E. Dickey, of Brown Brothers, bankers; V. P. Snyder, president Bank of Commerce; Judge J. M. O'Brien and George C. Haven, of New York, banker.

The **Metropolitan Plate Glass and Casualty Company** at the beginning of 1904 determined to make an effort to increase its plate glass premiums to the $400,000 point, and the end of the year statement shows that object to have been fulfilled and something over. The company now has assets of $652,232 reinsurance, reinsurance reserves of $209,329, and net surplus of $202,810. The company has surplus to policyholders of $402,810, and has paid $2,144,421 to policyholders since organization. The accident and health departments of the company, recently established, showed well sustained growth, according to the statement of President Eugene H. Winslow.

A system of handling all the casualty lines of large firms under one supervision has been originated by the insurance firm of Sanders & Co., of the Park Row Building, in this city. The system is called the **"Casualty Bordereau,"** and by means of carefully worked out methods a large amount of detail in the matter of brokerages, etc., is saved to the insured who avail themselves of the new plan. Mr. Sanders was formerly assistant secretary of the Ætna Indemnity Company and has associated with him at present Mr. Edward S. Pegram, who recently resigned as secretary of the same company.

A Hibernian life insurance agent was delegated **to break the news to Casey's wife.** He returned with a much more cheerful face than was expected. "Did she bear up well, Terence? Did ye break it gently?" "Sure I did," replied Terence. "She bore up fine. I says, 'Good morning, Mrs. Casey. It's good luck ye be after havin' this beautiful day.' 'An' what's the good luck?' says she. 'Ye've come into a tidy sum of money,' says I. 'The saints be praised,' says she. 'An' where do the money be comin' from, Terence?' 'From

your husband's life insurance,' says I. 'Sure, he was kilt be the blast this mornin'!"

News was lately received at Hartford, Conn., of the death at Tucson, Ariz., of **Thomas F. Plunkett,** who, prior to September, 1886, was a business associate of George M. Bartholomew, president of the Charter Oak Life insurance company, which went into receivership in that year. Bartholomew escaped to Canada, but later returned and served a term for embezzlement and died in Hartford. Plunkett was also indicted for embezzlement, but reached Mexico and lived there for years under the name of Plancuri, which alias he went under at the time of his death.

The **Church Insurance Association** of the State of New York held its twelfth annual meeting at Rochester on January 31. It was presided over by the president, George B. Watkins, of Rochester. The association is made up of eight different denominations throughout the State, and its business now extends in fifty-five counties. The report of the secretary, George M. Bills, showed business to the extent of $1,300,000 done during the past year, and the insurance in force to be $4,014,244.83.

In the Chicago city council this week **the experimental test of the double platoon system,** recommended by its fire department committee and wanted by the firemen, was defeated. A bitter fight was made, but the opponents of the proposition charged that political influence was being used and that the matter was sprung at this time in hope that the aldermen who are candidates for re-election this spring would be afraid to vote against the firemen. The proposed ordinance got a vote of thirty-four to twenty-six, but under the charter thirty-six votes were required.

The third annual dinner of the Provident Department of the **Mutual Reserve Life** insurance company was held on the evening of February 3 at the Ashland House, New York city. All of the managers, many of the assistants and a number of home office officials attended the dinner, making in all over eighty-five people. Vice President Eldridge presided and presented the prizes, which consisted of gold watches, fountain pens and watch charms and went to the winners in the January contest for business.

The **Chicago Life Underwriters' Association** will hold its annual meeting and election at the Hamilton Club on the evening of February 21. The following nominations have been made: For president, Danford M. Baker, of the Pacific Mutual Life; vice president, James L. Ferguson, Prudential; second vice president, Everts Wrennie, State Mutual; secretary, George R. Hemingway, Equitable; treasurer, Harvey S. Dale, Union Mutual.

It is reported in French journals that there was an **insurance policy** of 150,000 francs **on the life of the late M. Syveton,** whose death under strange circumstances a few months ago bids fair to become one of the "Mysteries of Paris." The policy was in the Mutual Life of New York and the amount has been paid in spite of the suspicion of suicide that attached to M. Syveton's death. The policy had been in force a number of years.

The Attorney General of Illinois, having filed his brief in his appeal on the **Belleville anti-trust cases,** in which the State sued 150 fire insurance companies operating through the Belleville compact office, the attorneys for the companies will file their brief within a few days, and the case is set for oral argument in the Appellate Court about the 1st of March. The companies have had three previous victories, and expect to make it four.

The **organization of new fraternals** is progressing rapidly in the West, in spite of the efforts of the insurance departments to check them. The "Fraternal Volunteers" has been started at Crawfordsville, Ind., with no secret work and no regular meetings, unless the members so desire. The "Temple of Truth" has also been organized at Chrisman, Ill., claiming as its desirable feature that its assessment, once established, cannot be increased.

The **charges of overhead writing,** filed against Robert S. Brannen, local fire insurance agent at Denver and formerly secretary of the National Association, have failed, and he is fully exonerated. Agents at Fort Collins, Col., made the charges, but it developed that Mr. Brannen placed the insurance through a local agent there, paying the brokerage. He offered to pay $500 fine and stand the costs of the investigation if found guilty.

On the back page this week will be found the thirty-fifth annual statement of the **New Hampshire Fire insurance company** of Manchester. It fully justifies the characterization "sound, solid and successful." The company's assets are $3,911,743, its net surplus $1,199,685, and its reinsurance reserves $1,478,971, which testify to the ability of its executives, of whom Uberto C. Crosby is president.

The estimated **loss by fire in the United States and Canada** in the month of January, according to the compiler of the *Journal of Commerce*, was $16,378,100. In the corresponding month in three previous years the loss was as follows: 1902, $15,032,800; 1903, $13,166,350; 1904, $21,790,200. The largest fire of the month was at Omaha, Neb., where several business houses were burned with a loss of $630,000.

The board of managers of the **New York Produce Exchange** this week posted a proposed amendment to the by-laws which if adopted by the members will mean that the Exchange will gradually abolish its insurance plan. In this respect it is following the example set by the Consolidated Exchange and the Cotton Exchange, whose life insurance annexes also proved unprofitable.

A special meeting of the **Philadelphia** Fire Underwriters' Association was held on Wednesday for the consideration of the proposed establishment of a **committee on losses and adjustments.**. Sufficient opposition was developed to defeat the resolution. The vote was twenty-eight in favor and twenty-five against, but as a two-thirds vote was required the majority did not win.

The **Prussian Life** insurance company, of Berlin, Germany, has been admitted to New York to do a reinsurance business only. It has deposited $200,000 with the Insurance Department, and will be under the United States management of Mr. C. F. Sturhahn, the well known underwriter, who is also United States manager of the Rossia of St. Petersburg, at 95 William street, New York.

The **Chicago agency of the German-American** has been transferred from Moore, Jones, Lyman & Herrick to Burrows, Marsh & McLennan, the former agency having arranged with the Phœnix of Hartford to increase its lines to

cover their business formerly in the German-American. The agency of the Phœnix is transferred from Witkowsky & Affeld.

A French writer, speaking of the **influence of women in life insurance** matters, says: "The day when women shall be convinced that this act of prevision is not only a benefit, but that it responds to all the demands of moral and sentimental law, as well as to practical, daily necessities of life; on that day the cause of assurance will be won."

A daily paper prints the following advertisement:

FOR SALE—Valuable special legislative charters—fire, marine, life, plate glass, etc.; banking and trust business. Immediate delivery.

Here is an opportunity for **Chicago and Indian Territory operators** to get something Virginian, West Virginian or Delawarean with a State behind it.

The rating authorities in **South Dakota** have recommended the **abrogation of the three-quarters or percentage value clause** in a number of towns that have improved their fire protection recently. A revised list has been issued of the towns in which the clause is not required, numbering sixty-three.

A meeting of the incorporators of the **Troy Fire insurance company** was held this week, and it was voted to increase both the capital stock and the surplus from $200,000 to $500,000. This action was taken to enlarge the scope of the new company. Subscriptions for stock are coming in rapidly.

The following committee has been appointed to prepare a program for the **semi-annual meeting of the Western Union,** to be held in Philadelphia, March 15: A. J. Harding, chairman; I. S. Blackwelder, Martin Collins, J. M. Decamp, M. F. Driscoll, P. D. McGregor and J. A. Stoddart.

Articles of incorporation have been filed with the Minnesota authorities by the **Alliance Fire insurance company** of Austin, The company has been organized with an authorized capital stock of $100,000. The president is J. D. Sheely; vice president, N. F. Danfil; secretary, C. F. Cook; treasurer, A. W. Wright.

A **"fake insurance" agent,** who gave the name of Albert S. Lambert, was committed to the Tombs in New York this week, in default of $2,500 bail, to await the action of the grand jury. His operations were chiefly among East Side shopkeepers, and he is alleged to have raked in about $30,000.

The **Western Underwriters' Association of Chicago,** which is an incorporated fire insurance company, has very sensibly changed its name to the German National insurance company. It will not hereafter be confounded with associations of individual insurance men.

An enterprising firm of New York brokers advertises **horse insurance** in London Lloyds. They have authority to bind lines of $1,000 to $50,000 on animals under twelve years of age—steeplechasers only excluded—at rates of 5, 5½ and 6 per cent. per annum.

The **swindler who persuades doctors** to become life insurance examiners and take out policies, as preliminaries, has turned up again in Indiana, where he is working under the alias of Vasthgrade, and using the name of the Canada Life.

The **Metropolitan** insurance company **of Chicago** boasts that it is not affected by the King anti-trust law of Arkansas and will remain in the State. It has not been admitted to membership in any association of fire insurance companies.

The notorious **Deacon Lowell** appears to have nearly reached the end of his tether. His trial is on at Chicago this week and his confederate, Cowell, is on the stand confessing their joint and several crimes and misdemeanors.

When Joel wrote "the press is full," he may have had prevision of this month's **meeting of the Once A Year Club.**—*Insurance Post.* No, Joel; not the club. You thought Hewitt was going to be there, but he is not.

At the annual meeting of the **Pennsylvania Casualty Company** last week the directors voted to increase the company's capital to $500,000 and have put the proposition up to the stockholders.

Rumors that **the Phœnix and the National insurance companies** of Hartford were soon to begin building operations were denied this week by the officers of those companies.

A move to permit the **writing of sprinklered risks on the term plan** was promptly and effectually squelched by the New England Insurance Exchange last Saturday.

"The **life of an insurance agent,"** sighed Premyums, "is full of wormwood and gall." "I hadn't noticed the wormwood," growled the victim.—*Cleveland Leader.*

The **Eagle Fire** has been **admitted** to Missouri. The Springfield Fire and Marine insurance company will enter Virginia on March 1.

The **conflagration hazard engineers** of the National Board of Fire Protection are now operating in Mobile and other points in the South.

There are still indications that **plate glass underwriters** may shortly reach some kind of an agreement in the matter of commissions.

The **German of Wheeling** will increase its capital stock from $100,000 to $200,000 and enter a number of States.

Personal.

AGENCY APPOINTMENTS.

Ætna of Hartford: Paul Kline, special agent for West Virginia and Ohio, with headquarters at Columbus.

Atlas of London: E. M. Shoen, of Kansas City, Mo., special agent for Missouri, Kansas and Arkansas.

Caledonian: George H. Herrmann & Co., Chicago, sole agents, transferred from Moore, Janes, Lyman & Herrick.

Calumet Fire of Chicago: F. D. Hirschberg & Co., St. Louis, Mo.

Eagle Fire: Wall & Whitmire, St. Louis; Wolfe & Cohen, Washington, D. C.; Dewick & Flanders, Boston, Mass.; Edward C. Roth & Co., Buffalo, N. Y.; Lohmeyer & Goshorn, of Charlestown, W. Va., general agents.

Empire State Surety: Taft and Parker, Boston, Mass.

Granite State Fire: A. G. Hancock, general agent for Baltimore, Md., and the District of Columbia.

Scottish Union and National: H. T. Higginbotham, special agent for Alabama, Mississippi and Louisiana, with headquarters at New Orleans.

Nye-Danske of Copenhagen: Hall & Henshaw, sole agents at Chicago for surplus lines.

Springfield Fire and Marine: Charles E. Wortham, general agent at Richmond, Va.

Mr. Charles W. Holden, one of the best known insurance men in Boston, a former president of the Boston Life Underwriters' Association (of which he was a charter member), and in his time a leading fire, life

and casualty agent, died last Saturday night in the sixty-seventh year of his age. A native of Portland, Me., he had lived in Boston since early manhood, and was employed in the late fifties by the insurance firm of Dobson & Jordan, the leading local agency of that day. After identifying himself for a number of years with other pursuits, Mr. Holden returned to insurance in 1868 as general agent of the Washington Life. In due course of time he became also manager for Boston of the Merchants of Newark, the Granite State Fire and the United States Casualty, and local agent for a number of other companies as well. His business required the occupancy of an entire building at the corner of Congress street and Exchange place. No Boston agency plant seemed to be more firmly founded, and to many of his friends it came like a bolt from the blue sky to hear that unsuccessful outside ventures had compelled Mr. Holden to take a partner for the financial backing of his business. This was but the prelude to the entire collapse, in 1897, of this once flourishing agency. Mr. Holden bore his reverses with a firm front, and kept in the business as a broker until his death. He always made money for his companies, and many of his friends think that had he been less secretive when his troubles began he might have obtained assistance which would have saved the agency. To those who knew him best Mr. Holden unfolded a genial personality and a fund of humor not apparent to those meeting him casually. His death creates a deeply felt vacancy in the rapidly thinning line of the veterans of the Boston "Street."

Major James W. Pegram, second vice president of the Life Insurance Company of Virginia, for many years a prominent and well known citizen of Richmond, died January 31, at a private hospital in Philadelphia. He was born in Norfolk, Va., on February 13, 1843, his father being a captain in the United States Navy. Major Pegram was educated at Annapolis, but left at the outbreak of the Civil War to take the Southern side, served under his father on the cruiser Nashville and was wounded at the battle of Fort Fisher. Since the close of the war Major Pegram had been engaged in the insurance business, first at Norfolk with his father, and later in Petersburg and Richmond, with the Life Insurance Company of Virginia, of which he was one of the organizers. He went to Richmond from Petersburg, when the home office of the Life Insurance Company of Virginia was transferred to that city. His son, Robert B. Pegram, is a representative of the company at Norfolk.

Mr. George M. Lyon, formerly one of the most prominent of Western fire underwriters, died at Pasadena, Cal., February 6, at the age of sixty-three. Mr. Lyon was with the Home of New York for many years, beginning as a clerk in 1863 and serving as assistant secretary for many years. He was sent to Chicago in 1874 as associate manager of the Western department with the late Gen. A. C. Ducat, serving until the department was closed in 1893. The local agency of Ducat & Lyon was then continued until the Home opened its own office in Chicago several years ago. Mr. Lyon's health had been failing for some years, and he then retired from business and made his home in California. He never married, making his home with a sister.

Special Agent William G. Catlin, of the Royal Exchange Assurance, for the territory of Virginia, Alabama and the Carolinas, whose home was at Danville, S. C., was drowned while shooting ducks on the Black River, near Georgetown, S. C., on Thursday, February 2. He went out with a negro boatman named Barron and on Saturday, two days later, when a search was made for the missing men, the body of the negro was found and also the row boat half filled with water, and a loaded shotgun in the bottom. Mr. Catlin was twenty-eight years old and married. He had made a fine record in the service of his company. His body has not yet been recovered.

Mr. S. H. Lockett, manager of the Insurance Survey Bureau, has resigned and will become secretary of the Committee of Twenty of the National Board on March 1. He will take the place of Mr. Herbert Wilmerding, who has been forced to resign by ill health, and who is now in Europe on leave. The Survey Bureau will be temporarily in charge of Mr. F. W. Gibsone, associate manager, and it is probable that the absorption of the bureau by the Western Union will be brought up again at the next meeting of the latter organization.

Mr. L. A. Murdock, general agent of the Penn Mutual Life insurance company of Philadelphia at Boston, Mass., died January 31, at the home of his daughter in that city. Mr. Murdock was sixty-seven years of age, and had been prominent in insurance circles for the past twenty-four years. He was born in Hubbardston, going to Worcester in 1861, where as one of the firm of Smith & Murdock he conducted a large supply house until about 1884, at which time he became interested in life insurance.

Manager S. Y. Tupper, of the Southern Department of the Queen at Atlanta, has announced that Special Agent Frederick Geddings will supervise the Louisiana business of the company and that Mr. Haynes, who formerly had that territory, will have Tennessee added to his list. These two changes are for the purpose of enabling Special Agent John H. Curry to devote more of his time to the growing business of the company in Kentucky.

Major T. Brent Swearingen, identified for over fifty years with insurance interests in Pittsburgh, Pa., died there suddenly on January 20 of apoplexy. He was seventy years old and a veteran of the Civil War, during which he was twice wounded and once left for dead on the battlefield. He retired from active business life fifteen years ago, at which time he was a member of the insurance firm of Swearingen & McCandless.

Mr. William Frank Briggs, for many years with the Home Life insurance company in this city, died at his home in East Orange, N. J., on Sunday last. He was born in New York fifty-one years ago. He was formerly cashier at the home office of the company and of late had been in charge of a branch of the company's financial department.

Mr. Homer C. Caldwell, for fifteen years special agent of the Hartford in Kansas and the Indian and Oklahoma Territories, has resigned, having purchased an interest in the Landis Electric Company, of Wichita.

Mr. T. L. Kimball, State agent of the Washington Life insurance company at St. Louis, Mo., and Mr. J. W. Popham, general agent of the same company at Sedalia, Mo., have resigned.

Mr. Blair T Scott, State agent of the Northwestern department at Portland, Ore., and Mr. Frank W. Wolley, State agent at Wilmington, Del., of the Washington Life, have resigned.

Mr. Fred F. Gordon, Wisconsin State agent of the American of Newark, has resigned and will enter the local business, having purchased a half interest in an agency.

Special Agent Homer Caldwell, representing the Hartford Fire in Kansas, Oklahoma and Indian Territory, has resigned. He was fifteen years with the company.

Deputy Insurance Commissioner Frank S. Tesch, of Colorado, has been reappointed to that position by State Auditor Bent, who is Commissioner ex officio.

Mr. Arnold B. Matthewson, an insurance agent of Central Village, Conn., died there January 30, after a long illness. He was forty-eight years old.

Third Vice President George T. Wilson, of the Equitable Life Assurance Society, has been elected a trustee of the Equitable Trust Company.

Mr. Albert Paull will be secretary of the Franklin of Wheeling, W. Va., which was recently absorbed by the National Fire of Hartford.

Mr. James E. Sale, a well known insurance agent of Cincinnati, Ohio, died January 16 at a hospital in that city. He was sixty years old.

Mr. E. L. Shelton, one of the organizers and the secretary of the Security Life and Annuity Company of Philadelphia, has resigned.

Mr. Trueman W. Eustis, former Western manager of the Manchester, has gone to the West Indies for his health.

Mr. P. V. Wise, a veteran insurance agent of St. Joseph, Mo., is dead.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

United States Congress.

WASHINGTON, D. C., February 6.—An amendment has been proposed to Mr. Morrell's national insurance supervision bill, which will provide for the support of fire departments throughout the country and their sick and disabled members. The amendment, which is suggested by Senator Clapp, of Minnesota, requires that every fire insurance company, on or before July 1 of each year, shall pay to the treasurer of each State an amount equal to 2 per cent. of the gross premiums received by each company in each town, village or city having an organized fire department. This revenue would be disbursed for the better equipment of the departments and for the relief of sick, injured or disabled firemen, their families or widows.

Arkansas.

LITTLE ROCK, Ark., February 4.—Senate Bill No. 15, by Mr. Cothan, was read the third time in the Senate and passed by a vote of ayes, 27; nays, 0. It provides for the collection of the entire amount of the fire insurance policy in case of failure to pay claim, with 12 per cent. added for costs.

Colorado.

DENVER, Col., February 3.—House Bill No. 378, introduced by Representative Radinsky, provides that suicide shall not be a suitable defense to be set up by any insurance company or association against the payment of a life insurance policy.

DENVER, Col., February 6.—Following is the text of House Bill No. 376, by Mr. Radinsky:

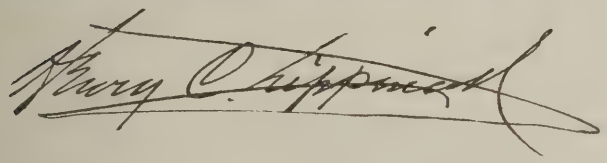
Section 1. From and after the passage of this act the suicide of a policyholder of any life insurance company doing business in this State shall not be a defense against the payment of a life insurance policy, whether said suicide was voluntary or involuntary, and whether said policyholder was sane or insane.

House Bill No. 311 and Senate Bill No. 249 are backed by newspaper interests, and are for the publication of annual statements of all insurance companies in each county where they do business. Deputy Commissioner Tecsh has compelled the in-

(*Continued on page 121.*)

THE ESSENTIALS OF LIFE INSURANCE ADMINISTRATION.

(Read to the Wharton School of Finance, of the University of Pennsylvania, by Henry C. Lippincott.)



Thirty-three years ago some seventy American life insurance companies were in the State of New York, and within seven years thereafter about one-half of them disappeared. Had not the troubles of 1873-79 brought all enterprises, old and new, into severe stress, it is still highly probable that most of these would have failed; for many more companies were started in 1860-70 than were needed, and they lacked the great essential, proper management. We may safely make the broad declaration that while such management is not entirely certain to establish a new company, in any branch of insurance, success is impossible without it; indeed, in cases where the new company maintains itself the amount and quality of the growth attained may be taken as the test of management. For example, there are several life companies which date back to the middle of the century, and yet, compared with some others that are younger, may be said to have accomplished nothing.

How essential is proper management may be strikingly shown by a brief reference to the crudity of the early ideas about the insurance of lives. Half a century ago, before the beginning of State supervision, the official reports made in New York by the few companies then in the field actually included in "liabilities" the face value of all policies in force. A sum of money which may become subject to demand some months or years hence, or may never become such, is manifestly not a liability for its face today; so this method of figuring not only produced a sort of balance sheet which did not balance but made every company insolvent, liabilities appearing in some cases to be ten times assets. Whether the State Comptroller required this form of statement, or the companies knew no better than to make it, or the importance of correct and luminous information was not appreciated, we need not concern ourselves now to inquire.

The last supposition, however, is the most probable; for the total outstanding insurance, in 1854, in the ten companies was not quite $85,000,000, an amount less than is annually written now by each of a half-dozen companies; and since we know that the dignity of life insurance and its destined position in human affairs had not then been even dreamed of, it may easily have been thought sufficient to have an annual memorandum of some particulars, which need not be complete or coherent. Yet there were great lacks in the knowledge of the subject then possessed by the companies themselves. In the earliest years of one of the oldest of them no attempt at strict medical examination was made, but the trustees looked the applicant over and guessed about his desirability. At one time an actuarial error was made, in the same company, which was so serious that it would have led to technical insolvency had the payment of dividends accordingly been persisted in; even the mortality tables then existing were somewhat inconsistent and inaccurate; and the entire practice was tentative, the experience which alone can furnish the solid groundwork not having yet been obtained.

Notwithstanding, these pioneer companies felt their way along. And since life insurance was much better understood in 1871 than in 1854 the failure of new companies in 1871-80 cannot be ascribed to the undetermined state of the foundation principles; on the contrary, those principles were as firmly settled by experience then as they are now. This brief reference to the beginnings of life insurance is therefore made solely to bring out and emphasize the fact that companies have failed in the past, and may fail in the future, because of inefficient administration. Able men will not be so deficient in foresight as to attempt founding a new company when the time is not propitious; and even if the time is propitious the company will probably die young unless in competent hands. Insurance of lives may be somewhat figuratively defined as

THE PRODUCT OF THREE FACTORS:

a rate of mortality, a rate of interest, and competent management. The problem in fire underwriting is to provide funds for the minority of policies which involve loss; the problem in life underwriting is to provide for every policy that is written. For since the actual ultimate mortality is 1,000 per 1,000, the outcome, in insurance parlance, is a total loss on every policy that is kept up, and a million dollars are demanded for every thousand persons at $1,000 each. The term "insurance," as commonly and naturally understood in its application to property, is therefore worse than inexact here; it is seriously misleading. Underwriting life is a process of accumulation. The early dying draw heavily from the common fund, contributing their own lives, while their heirs receive the commutation of those lives in money; those who survive late make up the deficits on the others, but get what advantage may be in longevity, so that the case equalizes itself. In practice there is another factor: the expense rate, which is provided for by adding to the mortality part of the premium charge a percentage or

"LOADING."

The mortality tables are now known, and are a part of the common stock. A company may start today with substantially all the information on this subject which the oldest office possesses; but in the "selection" of lives—which determines how the actual shall correspond with the "table" mortality—there is room for important variations, and here the advantages are with experience. The rate of interest is not quite fixed, and the investment of funds is an exceedingly difficult problem, which, again, tests the quality of management. The expense, and its ratio of effectiveness in results secured, is also not fixed, and in its turn tests the management. One may say that success in trading consists in selling great quantities of merchandise at a profit and avoiding losses, but saying this helps nobody do it; we may likewise say that life underwriting is simple and easy, but the simple and easy things to say are

complex and difficult to do, and every point of view brings us back to management as the prime condition of success.

If we imagine a body of 1,000 men at age thirty, each of whom is certain to live to eighty, the problem of finding a premium rate which—at a given rate of interest and with the low expense that would be involved in such a case—would provide a million dollars for distribution fifty years hence would be very simple; the mortality part of the premium, at 3 per cent., need not exceed $9. But in fact few of these men will reach eighty; some will drop away very soon; the number dying annually will increase during more than half of the term, then will decrease rapidly as the number surviving diminishes, but the ratio of deaths to the number surviving will rise uninterruptedly to the end. This, however, is fixed and true only on the average, and here let us note that

"AVERAGE,"

so constantly mentioned as the foundation of life insurance, means simply that lives are considered in the mass; the law of average runs through the whole like a confining chain, from which there may be individual departures, but these departures will ultimately offset one another. Thus, if the actual deaths in a given block of lives, in some year or years, run a little beyond the rate as established by observation, they will run below that rate in some other year or years. But one individual alone has no average; observation has not established, and never can establish, any conclusion about him except that he will die. We have, therefore, two foundation facts at the outset: first, that there is substantially precise knowledge of the *rate* at which a large number of persons will die; second, that no knowledge about their *order* of dying is possible.

This cannot be too distinctly understood or be made too emphatic at the outset, for these two facts lie at the very bottom of the foundation of life insurance. If all persons were certain to live to a uniform age, life insurance would be only a savings bank and could not exist distinctively. If every person's date of dying were known to everybody—if, for instance, it were stamped on his forehead—insurance would be impossible; for the early dying would be anxious to come in, but the ones favored of destiny would refuse to join with them. If his own fatal date were known to each person and concealed from all others, only the short lived would be willing to accept life insurance, and that is impossible without the aid of the others. The utterly insoluble uncertainty of how soon any healthy person will die is the sole fact that makes life insurance possible. However, the forms of contract may be varied and multiplied, and whatever stress is laid upon the "investment" or self-beneficiary side, life insurance is founded upon these two facts: that every person knows he must die, and that no person knows the date. This cannot be too clearly understood or too constantly kept in mind.

THE ORGANIZATION OF A COMPANY

naturally and inevitably divides into six departments: executive, agency, medical, actuarial, legal, financial. Each of these represents work which must be done from the beginning. But the young company may start by adopting the table rates in use by others, and may employ a consulting actuary more or less; it may employ counsel, as others do, without engaging exclusive service; for a time, it may be more troubled by lack than by abundance of funds to invest; its secretary or other officer may have an actuarial education, and in its early years one man may do the work of two, in kind if not also in amount, thus, not all the departments may be required at first, although the work of all must be performed in some way. As a company becomes large some of the departments may subdivide and specialize; for example, the financial department may develop divisions for care of real estate, for recording and keeping securities owned, for making mortgage loans, for making loans on collateral, &c. To liken this expansion to a tree, which puts out new branches while it also grows in size and the trunk which includes the rest also enlarges, is to use a very natural simile. The business of

THE AGENCY DEPARTMENT

is to get business, and it is indispensable. The vast development of insurance has changed the work of the agent in some respects. Speaking broadly, it is no longer necessary (as it once was) to persuade men to approve insurance, for its wisdom, expediency, and necessity are now admitted. But men have still to be moved to do what their judgment approves; procrastination must be overcome, as ever; the variety of policies is large, and the question of form and amount is serious and not wholly easy; moreover, competition is active, and the agent finds a part of his work in defining and upholding the advantages of his particular company.

In time past, newspapers have argued that if insurance were made attractive enough the public would come in without persuasion; but the best ingenuity and effort of the ablest actuaries have been expended upon attractiveness of contract, and yet men will not come unsought. Even if they did come, and if there were no agents, so many branch offices all over the country would be required to perform the work of filling out the papers and making the medical examinations that although the form would be changed the labor and expense of getting men in would not all be saved.

The agency department must begin as soon as the company begins, and must grow with its growth, for agency operations are the source and condition of that growth. At its head, of course, is a superintendent, with assistants, and it branches out over the field occupied. There may be a system of general agents, each having his geographical field which he works and manages, subject to the central office and dealing directly with it; or there may be branch offices in the largest centres, issuing policies direct, sharing some of the powers of the home office yet governed by it; or there may be a combination of both; the rule of compensation may be a commission, or salary, or both, &c. There is no hard or uniform rule. In these matters of detail each company follows its own plan, guided by its own and others' experience, aiming only at the most effective results; but the agency system in some form is integral and permanent—it is the force which moves and makes the rest.

For many years and in many companies the general agency system has had the preference. Under it exclusive territory is granted, and the agent is responsible for the development of his field, being required to produce and maintain a volume of business deemed reasonable by his company, and to this end employing sub-agents and others, for whose conduct he is answerable. Such general agent derives a pecuniary benefit from all business obtained within his district, no matter from what source derived, as, for instance, voluntary applications from those not solicited to insure. Permanence is its chief merit, enabling one to reap where he has sown; and, in turn, permanence adds to standing, makes for character, and secures the most creditable representation. Latterly this system is being abandoned by the larger companies. Exclusive territory does not exist with them. An agent is free to get business anywhere, reporting direct to his company without any intermediary. This change has been in the interest of volume of business, permitting the employment of an indefinite number of agents; but it may be questioned whether the quality of the business has been maintained, the probability being that it has deteriorated in proportion to the number of untried and irresponsible solicitors thus introduced. The direct

PHYSICAL EXAMINATION OF THE PROSPECTIVE MEMBER

is, of course, made by some physician conveniently near, but the medical department at the home office passes upon the papers submitted. Some contract forms have been recently proposed which waive medical examination; it may also be waived in specific cases (as in a recent reported offer to insure the members of a large society in a special industry in a mass), and in connection with annuities there is no occasion for it; but, with these exceptions, no application goes through until the medical department has passed it. This work may be termed winnowing selection. The mortality tables are based upon observation of healthy or selected lives. If names were drawn by lot from the entire population, the membership thus obtained would be below the standard; if candidates were accepted as they come, without any sifting, the result would be much farther below standard, for the poorest risks would be most prompt and sure to apply, thus exercising an unfavorable selection; if the company could draft men into membership, the selection would be at its best. The winnowing of those who volunteer for membership is intended to come as near as possible to the selection by this imaginary drafting. The applicant's physical condition, his own record, and his family record are considered, and then, by a sort of intuition or sixth sense (in which a few have been notably and inexplicably successful) the chief examiner decides, in some cases, that somehow he does not quite approve the risk.

It is a maxim that the benefit of selection—in other words, the reach of this medical forecast—does not last beyond seven years, and the fluctuations of the law of average as to single

individuals are illustrated by the fact that a few men die within a few months, sometimes within a few weeks, after passing the most rigid examination; nevertheless, this sifting is indispensable. The result of a favorable or unfavorable mortality experience is to make the accumulation process longer or shorter. The more delay in maturing of the policy, the more premiums can be gotten in; or, if the policy is already paid up, the more time is allowed to the fund for interest accumulation. A slow rate of mortality—that is, an increased average longevity—is therefore of the utmost importance. Increase this average, or increase the rate of interest obtainable, and the premium rate required diminishes; let the members die a little younger, or let the interest rate fall, and the premium must rise. And here, too, management, by which is meant capability, fitness and peculiar adaptation for the responsibility imposed, is essential to success. Imagine the absence of qualification and you will at once see how the well being of the mass may be put in jeopardy and exposed to unreasonable and unnecessary death claims by an influx of lives below the standard, admitted through ignorance or indifference.

THE ACTUARY

is as necessary as the medical examiner, and his work is permanently needed. He must take the mortality tables, the safe assumed interest rate, and the required loading for expense, and by combining the three must construct premium tables for every form of policy. Moreover, it is his part to devise variety, flexibility of application, and attractiveness for the contract; he must invent new forms of policy wherewith to meet competition. He must not merely match felt wants; he must intuitively anticipate the feeling and tempt the public with inducements which had not been missed. He must figure out the utmost advantages in options, paid up policies, and surrender values which can be conceded; he must be liberal on the one hand, and perfectly sure and safe on the other, for a blunder on his part might lead the office into issuing a line of contracts both impracticable and irrevocable.

Even a sketch of

POLICY FORMS

would take us too far afield, but I may point out that they divide into three principal groups: the Ordinary Life (the simple original form), which matures only at death and collects premiums until then; the limited premium form of the same, which is paid up in a fixed number of years; and the endowment, which matures at the end of a specified term or at death if that occurs sooner; the endowment may require premiums annually until maturity or may be fully paid up in a shorter term. Obviously, the lowest rate suffices for the whole life policy, but the smaller the agreed number of premiums the larger each must be. An endowment requires a high rate, for if it is to be paid in, say, twenty years, the money must be gathered in by the end of that term and the company must also bear the risk of earlier maturity by death; if the number of premiums is further limited, there must be a further increase in the amount of each. In all contracts of life insurance, excepting only term policies for a brief period of years, in which case the "reserve" is so small as to be inconsiderable, the premium contains what is known as the banking or self-insurance element; that is, the holder of an endowment or of a limited premium contract pays a part as the cost of carrying the insurance risk that the policy may mature by death and another part as contribution to making up the $1,000 certainly at the agreed time of maturity. On the high premium forms, the temporary risk to the company is clearly less, since it is getting in money more rapidly; hence a man may often be accepted for a high premium form who would not be for the plain Ordinary Life.

Under this contract, however, the same process of accumulation goes on, the difference being only one of degree. One insuring under it, and surviving to age 96, will have done three distinct things. He will have paid each year his contributive share of the death losses, he will have paid his just proportion of the expenses of management, and, equally vital, he will have accumulated a fund to his credit and for his endowment equal to the face of his policy. Briefly expressed, an Ordinary Life policy is an endowment maturing at age 96 should the insured so long survive. Correct forms of policies are essential; which is to say they shall be so drawn in consideration of such adequate premiums that the liability incurred shall be precise and definite, free from ambiguity, and that the funds to meet them will surely be produced from the aggregate of the premiums paid. And beyond these, he must accurately, at the close of each year, calculate every item of present or contingent liability under all contracts of insurance issued, ascertaining the aggregate of such liabilities, and thus serve notice upon the financial department to have, or to get, the funds necessary to balance. He must compute the surplus available for division, and ascertain each member's share in the latter, whether this is done annually in the old fashioned way or according to the later plan of deferring all settlements of surplus to the end of a specific term, usually fifteen or twenty years. Computing

SURRENDER VALUES,

or the amount at which the company will purchase a policy not yet matured, is an important and delicate duty of the actuarial department. In the simplest case—that of an endowment—it is easy to discount, at a given interest rate, a payment due at a known future date; but on policies which mature at death the date of maturity is unknown and the conditions are less precise. In considering this, there are two factors which the public understand very imperfectly: the character of each member's interest in the common fund, and the effect of selection.

In dealing with life insurance men act selfishly, without regard to the welfare and rights of their fellow members. I have already explained that, if the medical examiner did not stand at the entrance gate, the weakest and least desirable lives would be surest and soonest to come in; similarly, if the actuary did not stand at the exit gate, the best and most desirable lives would be surest and soonest to go out—indeed, those who feel that they have become impaired always hold tenaciously to their policies. Once issued, a policy carries with it a periodic option to renew, and this option is always one-sided. The holder can decide not to continue, and the company cannot prevent him; or he can tender his renewal premium and the company cannot refuse it, unless it is past due. Each member holds an option against all the others combined; but the others combined hold none against him. The selection as decided by each member in his own case is always against the company; that is, each one seeks his own interest, thus producing what may be called a hostile selection.

This being so, it follows that while all the members of a strictly mutual company own all the assets—since they *are* the company—the interest of each is not absolute and divisible, as in a savings bank In the latter, each may withdraw his deposit at will, because doing so does not affect the others; in the company, each depends upon the others and therefore owes something to the others. Even the bank puts a penalty upon withdrawal by forfeiting accrued but undeclared interest; the company must protect itself by keeping part of the retiring member's share, while being duly mindful of what is justly his.

The matter of surrender values, of apportioning Tontine or deferred dividend shares at the end of the agreed term, and of dividend apportionment generally, is productive of more or less misunderstanding and dissatisfaction. As to the first, I wish to make it fully clear that the joint ownership of life insurance funds is peculiar; each member's share is both his and not his. Joining the membership was a tacit engagement on his part to remain to the end, and if he breaks this he must submit to some penalty; otherwise, the scheme itself might be ruptured by disintegration. Legislation in some instances has fixed a maximum penalty or surrender charge, thus preventing injustice in this regard, if this were the disposition; but the fact is that competition among the companies, attended by pretty full information as to what each does under any given circumstances, has evoked greater liberality than any law commands. It is within the knowledge of many how one company, enjoying an unenviable distinction for the payment of meagre surrender values, through publicity given its practices has now become most liberal and, as I think, has gone farther than equity permits. Companies now vie with each other as to the largest measure of liberality that may be extended those who voluntarily withdraw from their undertakings, and the danger is not that they will receive too little, but too much. Companies which adhere strictly to the old plan of annual dividends oppose

THE TONTINE OR DEFERRED PLAN

as being wrong in principle and subversive of the life insurance idea; they are, indeed, compelled to oppose it in self defense, for the prodigious expansion of insurance in the last twenty years has been largely by pressing the investment or self-beneficiary view of the subject. The best argument for Tontine is

that men have a right to prefer it, if properly explained, and that it has had the effect of diffusing life insurance as just stated; on the other hand, the temptation to overestimate (if not to overstate) the value of the results to be realized by members who survive and persist to the end of the deferred period, and the disappointments and bickerings which have occurred and must be measurably expected, are against the plan.

There are other objections more or less vital. Insurance has for its central and sustaining idea the care of widows and orphans, and one's own protection in old age. Take away this proper motive and the system, if it do not fail, becomes something else. It has by so much ceased to be insurance. When one sets out to buy insurance, if rightly informed he will get all that his money can command, and to this end all of his money will be thus applied. No part of it will be exposed to loss in consideration of prospective gain from the losses of others! Gambling is a harsh word, and the deferred dividend system has been so contrived and exploited as measurably to conceal its true operation; but gambling with surplus is truly expressive of its nature. Large returns, handsome profits, are the inducements, while little or nothing is said of the sources from which such gains are derived nor the hazard to which each member of the class is exposed. Such a plan appeals most strongly to one of the worst sides of our human nature—an instinctive, and maybe perfectly natural, desire for something without an exchange of equivalent value. One fact here stands prominently in relief. This appeal to cupidity has tremendously aided in the diffusion of life insurance.

It seems to be a case of good following evil; and upon the theory that life insurance is worth all it costs to those who have it, the system may have served a useful purpose pending public enlightenment. When, however, the fact that some companies under the annual dividend system, without exposing their members to any loss of surplus, have produced results for their members exceeding those where the hazard of death or lapse imposed such losses—when, I say, this fact is brought home to the insuring public, there will be an end to the deferred dividend plans, an end as well to the vast accumulations incident to it, and the long train of extravagance and kindred abuses which have sprung therefrom. State law has intervened to prevent forfeiture of the reserve interest of the lapsing member, but law has not assumed to interfere with the apportioning of dividends by the company's management.

In a leading case in which a member who was dissatisfied with his share in the distribution sued for what he figured was the just amount, the New York Court of Appeals in substance held that the apportionment rests with the company, not with the member. If each member could figure out his own share of a divisible fund, and could then thrust in his arm and take it, he could as justly decide that what had not yet been declared divisible ought to be; the most assertive and active members would thus secure a preference, and the entire assets might not suffice to go around. What is not practicable cannot be equitable. Somebody—and so the Court of Appeals held—must be vested with the power of deciding what portion of the fund is properly divisible at any date, and of apportioning this with regard to the rights of all the members and not merely of a few. The collectors and custodians of the fund must therefore distribute it.

CAN WE TRUST THEM?

This question is equivalent to asking, Can we trust anybody? and the conclusive answer is, We must. A purely mutual company, devoid of even the complication of a capital stock, is simply and wholly this: a common fund belonging to many thousands of persons who do not know so much of one another as names and residences, this fund being held in trust by a few men who manage it in the interest of all. They should so manage it, unquestionably; but will they and do they? It is plain that if they allow one member too much they must draw the excess from the rest, and that they can have no motive to take from one to give to another; their central position as trustees and arbitrators imposes on them the duty of impartiality and leaves them no inducement otherwise. But may they not pinch and deal hardly with each member in turn, in the interest of the entire fund? There is a constant effort for more business and more assets. There is such a thing as a lust for money, even for trust money, and it is conceivable that the managers—let us be exact and say some managers—may be so enamored of hundreds of millions as to jealously seek to restrict disbursements too much.

But this is an admission for the argument's sake. Putting the matter on no higher ground than that of expediency, there is no reputation more delicate, more valuable as an asset, and more carefully guarded, than that of a life insurance company. The managers are fallible men, but they are keenly alert to the necessity of fair play.

Little need be said of

THE LEGAL DEPARTMENT.

Its work includes the conduct of cases in court, the investigating of questionable claims, the phraseology of policies and other contracts, and the wide variety of matters which require expert advice. Practically, nine-tenths of the work of the legal department is centred in the investment or financial department. Is that bond properly drawn? is this title to property proposed to be mortgaged clear and indefeasible? are we pursuing proper remedies for the collection of our debt? are we likely to cloud our title or jeopardize our position by our leniency to debtors? are some of the questions indicating the scope of this work, which, well or poorly done, finds its expression in the result to policyholders. It is essential to successful achievement that a high order of talent united with equally high integrity shall be employed. A company which is large enough to maintain a legal department of its own will certainly have enough proper and legitimate work for it.

The function of

THE FINANCIAL DEPARTMENT

is to take the funds which others bring in and make them increase. Life insurance is founded upon the improvement of money at an assumed minimum rate of interest. The compound interest tables are figured upon investment in advance, with no loss of time whatever, and with no loss either of interest or principal. No capitalist, individual or corporate, ever did or can fully realize these conditions; the shortages by failure to realize them are covered in the excess of the actual over the assumed interest rate, but it is the test of a company's financiering to come the nearest possible to this. The most permanent investments are securities and real estate owned; the next permanent are mortgages; none is safer and more profitable than loans on policies, although there are some objections to these, outside of the investment view; the fluctuating investments are collateral loans and cash in bank. The last named is an intermediate halting place of money, and it commands a low rate of interest there which varies with the state of the markets and the size of the account.

Manifestly, securities owned should be dividend paying; but if a company did not take advantage of a depression in the markets, which pulls down the most substantial things also, its financiers would deserve a less complimentary name. To correctly judge the real substance behind securities demands special ability of a high order, and no better tribute to the financial handling of American companies could be asked than the fact that they have rarely been caught on bad investments. There have been some instances, for all men are fallible; but in the life insurance field they are few.

THE EXECUTIVE DEPARTMENT

comprehends all the others in being their superior in rank and responsible for their composition and results; it is the great central ganglion from which the impulse of energy proceeds. From this centre the growth of the company extends outward, in that the executive department determines when additional branches are needed for the work and what directions they shall take. To say this in no degree detracts from the importance of the others; it only states the natural arrangement of organization. If we look to the Government of the United States for an analogue we find it approximately, but in life insurance the executive department is also legislative and judiciary, being necessarily a governing body in all directions. To represent it as literally an autocratic one man power would not be accurate, for co-operation and division do exist in the administrative life; yet there is a finally directing head.

If you have followed me thus far, you have anticipated my saying that the essentials of life insurance administration are ability and integrity, for all outlining of the difficult and complex functions of the work performed leads to this: that ability of a special kind and a high degree is indispensable. There must be ability, or there can be no construction; there must be integrity, also, or the construction will disintegrate before it has proceeded very far. Life insurance does not grow of itself; it is not self-moving. The managing position is not one of dignified ease—merely to accept business brought in, sign necessary

papers, and preside at the table in the board room, as some excellent gentlemen who had not succeeded in mercantile life seem to have imagined forty years ago. If the man at the centre does not have his coat off literally he must have it so figuratively.

Following a well approved maxim, the able executive does no clerical work, nor does anything himself which he can find another to do for him; yet just here comes difficulty and test, for he must fit men to their places. By what means shall he do this? Not by trying them and throwing them aside as they are found wanting; the business cannot allow being made the subject of such experiments. He must know men by some intuitional or sixth sense, which neither he nor any other can explain or understand. Some men who have been exceptionally successful in soliciting have an inexplicable faculty resembling this—the power of influencing others. The sketch must not be overdrawn, for life insurance must be managed, as other operations must be, by human and fallible men who make mistakes; yet it is true that eminent ability is required, and the success of American life insurance proves that it is found. To reach out after, receive, care for, cause to fructify, and disburse the funds of others—this is

THE SOLE FUNCTION OF LIFE INSURANCE.

In a mutual organization the funds are exclusively trust funds. The trustee's task in the disbursement is even more delicate, if not more difficult, than in other handling. He must guard the fund against bad legislation, bad State supervision, and against the open or secret attacks of all who are attracted by its size and apparent exposure; this he must do as best he can. He must keep in check the greedy member who would like to help himself. He must defeat the fraudulent claimant. He must keep in the middle of the road between liberality and parsimony, always attaining safety. He must pacify members who feel disappointed, resist those who are unreasonable, and do his best to leave no opportunity for misunderstandings and unfounded expectations. He must look warily forward, always on his guard lest he fall into some error which may prove the seed of trouble hereafter.

In a mutual company the trustee at the centre owns nothing except his individual interest as a member, and is not entitled to anything beyond his reasonable salary, except such honor as he earns. There is a persistent notion that some salaries are excessive. But administrative ability is in keen demand and short supply; only the best suits life insurance, and to accept anything less would be intolerably bad economy. There is also a persistent notion that claimants are viewed with unfriendly eyes and oppressed whenever possible; the fact is just the reverse. The claims even temporarily demurred to are an insignificant fraction of the whole, and those unjustly resisted are fewer than those which are bad in morals, or in law, or in both, yet are paid because of expediency.

This unfounded prejudice against life insurance upon the side of claim settlements, and the persistent habit of juries of assuming that the company which comes into court is in the wrong, are the encouragement of those who attempt fraud. Sometimes the attempt succeeds, because it may be a question whether resistance or settlement will better conserve the trust. In one of the most famous cases, not finally disposed of until about a year ago, the company which refused to pay a plainly fraudulent claim and expended in defense much more than compromise would have cost, was right; the companies which wearied of the disagreeable fight and ended it by compromise were also right. The rule of expediency is sometimes the rule of duty, and we may fairly take diverse views of either in particular cases. It is somewhat difficult to speak calmly of

THE STATUTES RESPECTING LIFE INSURANCE

and the official treatment applied to it by States. These seem to be placed upon the theory that this great institution is among the necessary evils, and tolerable only when in bonds; that company managers would abuse their trust and oppress the public, in order to enrich themselves, were they not closely followed and watched. No intelligent man accepts such a proposition when it is put into a concrete form; yet if the unfriendliness of statute and supervision is justifiable at all it must be because life insurance is assumed to be dangerous except under restraint. On the contrary, its safety and expansion are more in spite of than because of the attempts of States to intervene lest wrong be done; and for relief from a burden, which is certainly not becoming less intolerable, we must look to a gradual enlightenment of public opinion on the subject.

In conclusion, I am conscious that life insurance may sometimes be painted in somewhat too high colors by its enthusiastic spokesmen. It is not clearly the most altruistic, or most beneficent, or most indispensable, or most perfect, or even the most certainly remunerative as an occupation, of all human employments; or at least, let us say, not necessarily and always so. It has its trials, its imperfections, its mistakes, its spots which show against the general whiteness. Speaking of it without exaggeration compels us to admit that the men engaged in it, from bottom to top, are not demigods, but men like ourselves. Criticism is not to be warned away from them; but it should use the pen point discriminatingly, and not smear as with a brush. That administration whch has succeeded before our eyes certainly has the great essential of ability; as for the other great essential of integrity, while the consciousness of duty and of fidelity to trust may not in every case be ideally high, it is at least well up to or above the average. We may justly give honor and gratulation to American life insurance.

INSURANCE LEGISLATION.

(*Continued from page* 116.)

surance companies to insert their reports in Denver daily papers, and the bill is to compel the companies to help the papers all over the State.

House Bill No. 356, by Mr. Adamson, provides for a deposit of $50,000 by all insurance companies doing business in Colorado, the securities to be in cash, bonds or mortgages. Examination of books of any insurance company may be made by the commissioner at the request of three citizens. Out of State insurance companies must show reports of insurance officers of other States, or be examined before they are allowed to do business. Companies must have paid up capital of $200,000. Insurance companies must pay 3 per cent. of gross earnings in the State to the Insurance Commissioner annually.

House Bill No. 374, by Mr. Keezer, requires that insurance companies must pay $3 for certificate of authority, and that companies must pay 3 per cent. of gross amount of premiums to the Insurance Commissioner as a tax.

Connecticut.

The following bills have been introduced in the Legislature:

By Senator Lake—Changing the taxes of mutual life insurance companies from one-fourth of 1 per cent. annually to nine-fortieths of 1 per cent. in 1906; eight fortieths in 1907; seven-fortieths in 1908; six-fortieths in 1909, and one-eighth of 1 per cent. thereafter.

By Senator McGovern—Reducing the rate of tax on mutual life insurance companies from one-fourth to one-eighth of 1 per cent.

By Senator McGovern—Amending Section 3653, to require every surety company to keep a reserve fund for reinsurance equal to 50 per cent. of the gross amount of premiums received on business in force.

By Senator McGovern—Amending Section 4548, relating to insurance of married women, to provide that premiums paid which defraud creditors shall inure to the benefit of such creditors from the proceeds of the policy.

These bills have been referred to the Insurance Committee.

By Mr. Marvin, of Saybrook—Fixing the fee for soliciting insurance at $20, and requiring companies to have a capital of at least $100,000 before they are authorized to do business in this State, and if a mutual company assets amounting to $100,000.

By Mr. Marvin, of Saybrook—Requiring surety companies to give the Insurance Commissioner such information as he may require regarding their business.

Mr. Moore has introduced in the House a bill to incor-

porate the Mechanics Mutual Fire insurance company of New Britain.

Indiana.

INDIANAPOLIS, Ind., February 3.—The House Insurance Committee today reported favorably on Senate Bill No. 50, recently passed in the Senate, which regulates the investments of insurance companies. The same committee also favorably reported Senate Bill No. 74, after amendment by making it apply to all insurance companies. House Bill No. 141, for duplicates of lost policies, was reported by committee to be killed.

INDIANAPOLIS, Ind., February 8.—In the House today Senate Bill No. 50 was, on second reading, amended by inserting after "par" in line 8, "in legal tender money of the United States," and by adding to Section 1, "Provided that the foreign securities provided in this section shall not be received by the Auditor of State as securities to cover the net cash reserve against outstanding policies." The bill was then advanced to engrossment.

Senate Bill No. 74, practically the same as above, was also advanced to engrossment.

Kansas.

TOPEKA, Kan., February 4.—House Bill No. 279 has passed the committee of the whole. It makes the application for a life insurance policy prima facie evidence of the truth of statements contained therein, and makes void the suicide clause.

House Bill No. 225, for a State fire marshal, has been recommended for passage.

TOPEKA, Kan., February 8.—House Bill No. 224, to prohibit life insurance agents from dividing premiums with the applicants, was killed today in committee. Senate Bill No. 251, authorizing the publication of unlicensed companies, was killed in committee. House Bill No. 712, introduced today by Mr. Bird, prohibits fire insurance agents from dividing premiums with applicants.

Massachusetts.

BOSTON, February 4.—The Senate has concurred with the House in accepting the adverse report on the petition that cities and towns be required to furnish rubber blankets to protect goods from water and smoke at fires.

BOSTON, February 7.—The Insurance Committee had four matters assigned for today, but the petitioners were present only on the petition that the cash surrender value of life companies shall be payable not only on any anniversary, but, after it is due, upon any legal business day, during legal hours. It was said in opposition that the bill would hit domestic companies exclusively, while the petitioner said that he wished to reach the case of the Metropolitan. So the matter was put over to one week from today. The three other matters were as follows, which also were postponed for one week: Petition (House, 175) against insurance above the assessed valuation of real or personal property; petition (Senate, 101) to authorize surrender of a paid up life insurance policy at any time; petition (Senate, 102) that foreign insurance companies must make a deposit of $200,000 as a condition of beginning business.

BOSTON, Mass., February 9.—Ex-Representative James H. Mellen, of Worcester, made a long address before the Insurance Committee this forenoon for his petition for an investigation of the insurance system of the State. He denounced present life insurance methods generally as extravagant and wasteful. He attacked by name President Dryden, of the Prudential, saying that thirty years ago he was a poor boy in Worcester, and that he has made his fortune on an original investment of $2,200. He also declared that Mr. Dryden was in league with J. P. Morgan, and brought in other matter recently printed in a magazine. He admitted that he did not expect to accomplish anything this year. No one else favored the petition, and it was opposed by Reginald Foster, representing life insurance interests.

The committee will hear on February 17 the proposition for Federal supervision of insurance.

Missouri.

JEFFERSON CITY, Mo., February 3.—Mr. Spangler has presented in the House an amendment to the insurance laws which provides that no life insurance company authorized to do business in this State shall enter into an agency contract in Missouri, where such person or persons are to receive compensation or any remuneration whatever except such as shall arise from commissions or salaries, or both, the rate of said commission and salaries to be specifically stipulated in writing, and shall be for services actually performed; also it shall not be lawful for any company to enter into a contract with its policyholders whereby it shall appear that such policyholder is to be a special beneficiary of any of the surplus earnings of the company, or any portion of the premiums paid by any other policyholder.

The House Insurance Committee has made a favorable report on the Simmons Bill, No. 462, inflicting heavy penalties on unlicensed insurance brokers.

JEFFERSON CITY, Mo., February 6.—Mr. Richardson today introduced House Bill No. 522 to repeal Section 7979 of the Revised Statutes of 1899, which section requires the use of a uniform fire insurance policy with an attached blank notice for use in case of loss, the appearance of an adjuster to be considered evidence of notice and waiver of same; also, that no company shall take a risk at a greater than three-fourths value, and when taken its value shall not be questioned in any proceeding.

The Insurance Committee of the Missouri Legislature has reported favorably upon the bill drawn by the Insurance Department, making evasion of the statute requiring insurance brokers to take out licenses a criminal offense, punishable by fine and imprisonment. At present it is merely a civil offense.

Nebraska.

LINCOLN, Neb., February 4.—House Bill No. 56, by Mr. Burns, requires life insurance companies organized in Nebraska to deposit $100,000 with the State Auditor and adds a retaliatory clause as to other State companies.

House Bill No. 1, by Mr. Burns, and referred to the Insurance Committee, amends the law regarding the giving of bonds by surety and fidelity companies.

LINCOLN, Neb., February 6.—House Bill No. 56, by Mr. Burns, for the reciprocal taxation of insurance companies has been favorably reported.

New Hampshire.

CONCORD, N. H., February 8.—The House has passed the bill recently introduced by the Insurance Committee placing a thirty day limit on notices on health and accident insurance policies, and it has been messaged into the Senate. The House today killed House Bill No. 311, "to prohibit the sale of deceptive life insurance"; House Bill No. 77, by Mr. Willis, regarding the appointment of life insurance agents; bill by Mr. Woodman, relating to the distribution of surplus by life insurance companies; bill by Mr. Fifield, relating to investments of life insurance companies in the State; House Bill No. 1, by Mr. Chase, relating to brokerages; also House Bill No. 49, by Mr. Ayer, regarding the assets of mutual companies.

New Jersey.

TRENTON, N. J., February 4.—Mr. Manners has introduced in the Assembly a bill to provide for the establishment of a municipal insurance fund for cities. Its purpose is to raise by taxation a fund by means of which all city property will be kept insured, independently of the insurance companies. The mayor is to appoint three commissioners, to be known as the "Insurance Fund Commissioners," who will serve without compensation for a term of three years each. The bill defines the duties of the commissioners as follows: "They shall at all times keep on hand such sums of money as they may deem sufficient, or have the same invested in such securities as can be sold immediately for cash for the purpose of paying any loss by fire which may occur in any building or property so insured." The bill is being pushed by the Newark city authorities.

New Mexico.

SANTA FE, N. M., February 5.—House Bill No. 51, introduced by Mr. Howard, and referred to Committee on Insurance, provides that all life insurance companies in this Territory writing insurance on human life on the participating plan, that is to say, the plan whereby the policyholder shares in some manner in the profits of the company, shall distribute such profits, whether known as surplus or otherwise, among the holders of policies providing for profit sharing or distribution, annually on demand, in cash or credit at the election of the policyholder, and at all events such profits or surplus shall be distributed in cash or by way of credit at the expiration of three years from the date of the policy, and each three years thereafter, where no demand for distribution of profits has been made by the policyholder. The failure on the part of any company to comply with the provisions of the foregoing section shall render the contract void and *ab initio* at the option of the policyholder, and he shall be entitled to recover from the offending company all premiums which he may have paid to the company with interest thereon at the rate of 10 per cent. per annum.

New York.

ALBANY, February 6.—Assemblyman Friedel, of New York, today introduced a bill, avowedly directed at the industrial insurance corporations and intended to reach both foreign and domestic companies. The measure is drafted by Otto Rosalsky, former Assistant United States District Attorney, and provides that after three years a policyholder shall be entitled to a return of 33 per cent. of the amount paid in on his policy; if he allows it to lapse after five years, 50 per cent.; after ten years, 65 per cent., and after fifteen years, 75 per cent.

Senator Foley today introduced a bill which, he said, was intended to net the State a revenue equal to what it would lose by the repeal of the savings bank tax. It provides for taxing the unearned premiums of fire and casualty insurance companies. Since these premiums were exempted from taxation a few years ago several attempts have been made to restore the tax, and at one time a measure to that effect passed the Senate. The same bill was introduced in the Assembly by Mr. La Fetra.

ALBANY, February 6.—Senator Brackett tonight introduced two bills. One provides that an agent for an insurance company shall not be an agent for the insured. This is intended to prevent the companies from gathering up proxies tendered by policyholders to employees, agents of the company.

The other bill provides that whatever provisions are to govern the relations between the company and the insured party must appear in the policy. At the present time these conditions are enumerated in an "agreement."

ALBANY, N. Y., February 8.—Senator Brackett introduced a resolution in the Senate providing that the Superintendent of Insurance be requested to report to the Senate at his earliest convenience what per cent. of policies of industrial insurance issued within this State, whether by domestic or foreign companies, become lapsed by reason of failure of beneficiaries to pay premiums necessary to keep them in force and amount of premiums paid on such policies before lapse, and if there are no data in his office from which he can make such report, that he report whether it is within his power to obtain such information and report to the Senate. On motion of Senator Grady this resolution was referred to the Insurance Committee.

ALBANY, N. Y., February 8.—The Assembly Committee on Taxation and Retrenchment today introduced the insurance tax bill suggested by Gov. Higgins in his annual message. The Court of Appeals held, under the original insurance tax law, that life and fire insurance companies respectively were required to pay the 1 per cent. and one-half of 1 per cent. tax on premiums received during the calendar year on policies issued during that year only. The bill presented today is in the nature of an amendment to the old law and compels such companies to pay the tax each year on all premiums received in that year on business done within this State at any time, and in all previous years.

ALBANY, N. Y., February 10.—A trifle more interest has been aroused in insurance circles in the Legislature by the appearance of the tax bill put in by the Assembly committee, and by the introduction of the Foley-La Fetra tax bills and the Brackett life insurance measures. Still, with the exception of the committee tax bill, no one seriously believes any of the others stands much chance of passage.

Whether Senator Brackett's resolution calling upon the Superintendent of Insurance for information regarding lapsed policies of industrial insurance concerns ever gets out of the Senate Insurance Committee, to which it was sent, despite his protests, is a matter of speculation in the Legislature. Not a few people think the resolution will be throttled by that body.

ALBANY, February 10.—Assemblyman O'Neill introduced today in the House Bill No. 538, to amend Section 83 of the insurance law so as to require domestic life insurance corporations to distribute annually or at stated periods the proportion of surplus accruing to each policyholder.

North Carolina.

RALEIGH, N. C., February 4.—Senator Zollicoffer has introduced a bill for fire escapes on hotels and lodging houses, factories, etc., regulating exits and doors in theatres, halls, churches, etc., and penalties for neglecting the same.

RALEIGH, N. C., February 7.—Senate Bill No. 285, by Mr. Ellis, amending the resident agents law, has passed the Senate and is now before the House committee.

A bill has been introduced in the House by Mr. McGill and in the Senate by Mr. Sinclair to repeal Section 57 of the insurance laws of 1899. This section provides that no life insurance company doing business in the State shall make any discrimination or distinction in favor of individuals between insurants of the same class and equal expectation of life in the matter of premiums or dividends, nor any agreement or contract other than as expressed, or any rebate favor or advantage in premiums or dividends, etc. The introducers state that the bills to repeal were introduced at the request of a certain insurance agent.

Oklahoma.

GUTHRIE, Okla., February 6.—Representative Levy today introduced a measure taxing in each county the earned premiums of all insurance companies doing business in said county. The

bill was drawn by the Insurance Commissioner of the Territory for the purpose of increasing the receipts from such companies doing business in the Territory. The Senate favorably reported the Threadgill bill, compelling accident insurance companies to put up cash or Government bonds in each county where operating, for the protection of policyholders.

Oregon.

SALEM, Ore., February 4.—Senate Bill No. 188, by Mr. Pierce, provides for the annual publication of statements by insurance companies.

Pennsylvania.

PHILADELPHIA, Pa., February 9.—A bill has been introduced by Senator Brown, chairman of the Senate Insurance Committee, which provides that no fire insurance policy which may be issued or renewed hereafter under the laws of the State or by any local or foreign company shall contain any provision requiring the insured to enter into any appraisal agreement or arbitration for the ascertainment of the amount of loss or damage for which the company writing such policy would be liable. No such policy shall limit the time in which any action or suit may be brought by the insured to any period less than six years of the date of the fire, nor shall any policy contain any clause providing that the assured shall become a co-insurer with the company issuing the policy for any provision for a reduction of any loss by reason or failure of the assured to take out and maintain other insurance upon such property. No policy shall contain the so-called rate reducing average or co-insurance clause of any description or kind. Provision shall also be made whereby the assured as well as the company shall have the option of repairing damaged property or making a cash settlement of any loss.

The purpose of this bill is to do away with the appraisal and co-insurance features. An anti-compact bill is under preparation.

South Dakota.

PIERRE, S. Dak., February 5.—All insurance legislation is lying at rest except the Martin bill affecting the term of office of county mutual insurance companies, which has passed the House and gone to the Senate.

The general bill for the organization of life insurance companies under the laws of the State caused a hot fight in the Senate Thursday before adjournment for recess, and will be up again Wednesday after the reassembling of the Senate. It has been attacked as not definite enough in its provisions for safeguarding interests of policyholders.

There may be something doing after the reassembling of the Senate on the Shober bill to give the Insurance Commissioner power to revoke licenses under certain conditions. It is hung up in committee, but may be called out at any time. These bills are the only ones affecting general insurance which have been so far introduced.

Tennessee.

NASHVILLE, Tenn., February 4.—The Joint Committee of the Senate and House appointed to make a thorough investigation of the insurance business in this State, in compliance with the recommendation of Governor Frazier, will meet in the Senate Chamber at 11 o'clock February 9, to begin its investigation. The committee will go into the matter fully to ascertain whether the rates charged are too high. The committee is composed of Senators Schubert, Garrett, Davis, Woodlee, Howse, and Representatives Faw, Love, Chandler, Mayo, Williams and Steele.

Texas.

AUSTIN, Tex., February 4.—A bill introduced in the Legislature today, No. 361, by Mr. Kennedy, is an act to provide for the levy and collection of a tax of 2 per cent. upon the gross receipts of all insurance companies doing business in Texas. It was read for the first time and referred to the Committee on Revenue and Taxation.

AUSTIN, Tex., February 9.—Mr. Wilmeth has introduced a bill in the House providing that the capital stock of insurance companies shall be in lawful money of the United States, Texas State, county, town, city or incorporated school district bonds or bank stock, or first mortgages on unincumbered real estate in this State.

Washington.

SEATTLE, Wash., February 3.—House Bill No. 22, by Mr. Lindsley, which has been referred to the Committee on Insurance, is a general bill providing for the regulation of insurance companies, to take effect immediately upon its passage, and which nullifies all previous laws now on the statute books of the State. There shall be an Insurance Commissioner appointed under the supervision of the Secretary of State to see that the insurance laws are complied with.

House Bill No. 87, by Mr. Lindsley, which has been referred to the Committee on Insurance, is an anti-rebate bill.

House Bill No. 76, by Mr. Lambert, which has been referred to the Committee on Corporations other than Municipalities and Railroads, regulates the fees to be paid by corporations.

Wisconsin.

MADISON, Wis., February 3.—A bill introduced by Mr. Bletcher provides for the method of valuing life insurance policies. It also provides that whenever the laws of any other of the United States authorize or require an annual valuation of life insurance policies by the insurance department of any such other State, or when such valuation of any company has been made by the Department of Commerce and Labor, according to the standard herein provided, the valuation so made according to the said standard of the policies and other obligations of any life insurance company not organized under the laws of this State, and certified to as true and correct by the insurance commissioner of such other State, or by the Secretary of the Department of Commerce and Labor, shall be received and accepted, and no further annual valuation of the policies of such company shall be required or made by the Commissioner of Insurance of this State. There shall be paid by every life insurance company organized in this State, and by every life insurance company organized under the laws of some other State or foreign country, if no certified valuation of its policies has been furnished as herein provided, by way of compensation for such valuation, one cent on every $1,000 insured by it, which shall be paid by the Commissioner of Insurance into the State treasury. The Commissioner of Insurance, to comply with the requirements of this section, shall appoint an actuary at a salary not exceeding $2,400 per year, and an assistant actuary at a salary not exceeding $1,500 per year, who shall hold their respective positions until removed for cause, and such appointments shall be certified in writing and filed in the office of the Secretary of State.

MADISON, Wis., February 4.—House Bill No. 112, by Mr. Metzler, provides that it shall be the duty of the officers of every life insurance company organized with a capital stock, when such company shall have secured $20,000,000 of insurance in force, to set aside annually not less than 10 per cent. of the surplus earnings for the year, and apply the same to redeem the capital stock of

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GREAT BRONZE EAGLE OF THE NEW YORK LIFE.

A Masterpiece of Japanese Art.

Photo by F. M. Frobisher, New York Life.

The immense bronze eagle pictured above was recently purchased at the Yamanaka sale of Japanese art ware, by the officers of the New York Life insurance company, and has been installed at the east end of the accounting room on the main floor of the home office building, where it makes an imposing appearance. The decorations of the room, its counter screens and capitals, are of harmonizing bronze, and the statue will shortly be placed upon a pedestal of marble to correspond with the surrounding walls. The eagle and the rock on which it stands are together 125 inches in height. The eagle measures 11 feet from tip to tip of its wings. The celebrated Japanese artist, Hasegawa Harusada, made it in the year 1800, and it formerly stood in the gardens of a temple near Osaka. It formed a part of the recent international exhibition in that city and when brought to New York for sale attracted much attention. The officers of the New York Life, upon the suggestion of one of their number, seized the opportunity of presenting the company with such a striking example of its own emblem. The detail of the work is wonderful, especially the spray dashing against the crag and the minute markings of the eagle's feathers. The statue is formed of four separate castings and the entire masterpiece is valued at $10,000.

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the company at its par value; every such company shall, when all the capital stock has been so redeemed, transact its business on the mutual plan.

Senate Bill No. 85, by Mr. Smith, provides that hereafter the Commissioner of Insurance shall during the first week of the months of January, April, July and October of each year cause to be published in the official State paper and in one other daily paper a statement over his signature, containing the names of such insurance corporations as have complied with all the laws of this State.

Senate Bill No. 82, by Mr. Beach, amends the law relating to casualty, credit and title insurance companies.

Senate Bill No. 81, introduced by Senator Beach, provides that whenever under any law of this State or by contract between parties, conditions or forfeiture clauses shall be contained in any policy of insurance hereafter made or renewed, such conditions or forfeitures shall have no effect to render such policy void or voidable in cases where the breach of such conditions or forfeiture clauses has resulted in substantial loss or injury to the insurer.

Senate Bill No. 92, introduced by Senator North, provides that any combination entered into by two or more fire insurance companies insuring property against casualties from fire or the elements, transacting business within this State, or between the officers, agents or employees of any such companies, relating to the rates to be charged for insurance, the amount of commissions to be allowed to agents for procuring insurance, or the manner of transacting the business of fire insurance within this State, is hereby declared to be unlawful.

Miscellany.

A Pacific Coast Fire Underwriter on "The Brain Work in Our Profession."

Mr. R. C. Medcraft, of San Francisco, of Catton, Bell & Co., Pacific Coast managers, addressed the Fire Underwriters' Association of the Pacific at its last annual meeting, his subject being "The Brain Work in Our Profession." Mr. Medcraft is one of the most alert and experienced underwriters on the Pacific Coast, and his acquaintance with the springs of human action, as exemplified in the insurance manager, special agent, local agent and office clerk, is acute, as the following extracts from his address, with which he has furnished us a copy, will show:

Our brain works in two ways—receptively and constructively. Either it absorbs, without developing, the material which it receives, or else it evolves new material, which it applies on its own account.

What relation has this to our profession?

The subject is broad indeed, and has a direct and separate bearing on each of the principal classes of direct laborers in our particular field, viz., clerks, special agents and managers.

Brain work means for each a particular kind of mental activity. It also means progressiveness, without which we all lose our value. And it means more than these, for it is the foundation of an acceptable personality.

The local agent toward his present or possible client; the special agent toward the local agent; the clerk toward his immediate chief; the chief clerk toward his superiors, as well as toward his equals; the manager toward his fellows—all need to have within them this leavening progressiveness, and to display it as an integral part of their personality. The attractive personality is, indeed, almost always naturally accompanied by mental activity; it is infectious and interesting. It presupposes an interest in several, nay many, different subjects. It means, therefore, versatility, and is one of the two visible handmaidens of advancement. The other is enshrined within the old epigram: "In order that people may be happy in their work three things are needed: They must be fit for it; they must not do too much of it; they must have a sense of success in it."

The attractive force of this same mental activity lies in its power of throwing itself into those matters which are of principal interest to other people, and in the practice of an intelligent courtesy toward their opinions and their prejudices. *Amour propre* is universal, and it is quick to detect an interest or a courtesy which is only feigned. This does not involve the idea of "acting." It is true that the hold which player folk obtain on us is frequently in sole proportion to the extent to which they can make us believe, for the time being, that they are in earnest;

that they are and feel just what the characters which they portray represent. But that is just where the difference lies. It is the reality which is necessary.

A special agent is brought into connection with a local agent who presently pours out the story of his business difficulties both within and without the realm of insurance. He is interested in this land scheme, or in that dredging scheme, or in that water scheme. He has ideas more or less practicable and reasonable as to how the difficulties may be overcome, or how the tactics of his opponents should be met; for instance, by legislation, so that his own way may become more clear and his own plans less easily swerved, in spite of himself, from the exact line of honor. Or he may expose his personal troubles and dilate upon them in connection with his family prospects and ambitions. The victory in the struggle for this man's good-will will to a large extent rest with him who in the first place can control by the influence of his personality, and in the second can attract by an honest zeal for his interests.

A certain manager always kept at hand a memorandum book containing a brief note of the particular fad or hobby of those agents as to whom, from any source, he was able to secure the desired item of information. That memorandum book became, in his hands, a valuable lever for transmitting his own personality and fixing it in the memory of his visitors and correspondents. Every hobby became instinctively his own for the time being, but not till after he had literally cultivated himself into the faculty of making it so. * *

Take the case of the insurance clerk. Very sympathetic is the picture of this young man steadily doing his allotted work, yet always looking beyond it into the world immediately around him, searching for the opportunity which others may have missed, or which he may be the first to discover. Just, however, as the astronomer must use his telescope, or he can never announce the star or planet which he believes to exist in the firmament, but which he cannot see, so the young insurance clerk must use all means for self preparation, or he cannot in fairness hope to attain his goal. The latter cannot be bought with money. He cannot spring to it unequipped. There is absolutely no time for play in the life of a properly ambitious insurance clerk between the ages of seventeen and twenty-seven. There is very little time for it afterward. The material to be absorbed is so great that the after office hours, supplementing those spent within the office, are hardly enough to assimilate it. It is as varied as it is great. A rapid, clear, characteristic penmanship is the starting point. But the terminating point never can be visible. It lies in the combined domains of technology, chemistry, electricity, law, logic, architecture, mensuration, literature, bookkeeping, mathematics, political and social economy, and diplomacy. All these subjects cannot, of course, be thoroughly mastered. But a general familiarity with all of them must be and can be acquired, at the cost only of regular reading and methodical study; and in the laborious process the one great sustaining element is the passion to be always in earnest.

The non-insistence on this necessity for training and equipment is largely responsible for the fact that the career of an insurance clerk has often been regarded almost as the clerical career used to be considered—good enough for the least intellectual member of the family—as something which trained of and for itself, sufficiently but automatically, through the process of posting entries, or preparing applications, or writing policies, or soliciting a risk or two. These are all, we know, valuable capabilities; but they are merely a part of the training which comes from within the office in the direct line only of its routine work. They are easy and commonplace. The others are difficult and professional; but they enshrine the right to public recognition, as distinct from that which is only private.

These notions may seem to be somewhat grandiose. But how else can a young man attract attention? A dozen varieties of pigeons put together in a loft will in a few years all change to a slaty gray flock, with no apparent difference between individuals. A group of miscellaneous friends—twenty separate families, each with about the same moderate income—once upon a time formed themselves into a friendly community. They were all of the same social standing, general education and respectable type. They called their little model town Idyllia. The jarring pains of life were reduced to a minimum. "They all had smooth lawns and terra cotta statuary." Within ten years of its origin every vestige of Idyllia had ceased to exist. The dead level effaced it. There is a parallel to this Idyllia in every insurance office staff in the country. The breaking away from his Idyllia lies for every insurance clerk through the pathway of individuality; and his individuality will be the first sought after who establishes it through knowledge, not merely of the direct present requirements of his work but also of the useful, indirect and future.

In the midst of solid reading there must also be maintained an acquaintance with current events and insurance thought. Every available fragment of insurance literature, which is nowadays chiefly in magazine or journal form, must be perused. A scrapbook should be kept in which every article or paragraph relating to individual risks or classes of risks may be preserved, easily available for reference, and in which every unusual version of statistics may be readily drawn upon to supplement the treasures of memory, or the suggestions of intuition, or the conclusions of actual information.

Truly, if of the making of books there is no end, there is also no limit to the possibilities of money and position making study which the insurance clerk with a single eye to his future may undertake. But, of course, it is always easier to smoke cigars than to make them!

Take the case of the manager. The construction, development and permanence of an insurance business depend on the opportunities and—almost mainly—on the qualities of the managing office. Of the latter, there are two which correspond beautifully to what in mechanics are known as the centripetal and centrifugal forces. "The one is motion, and keeps in motion; the other governs the direction of motion." The managing office must constantly draw toward and around itself, by sympathetic and co-operative methods. It must, however, as constantly throw off from itself the inspiration of its own energy. The former quality represents an essential harmonious relation; the latter, a mathematical. Both are dependent on the domination of a constructive, propelling force at the active centre of authority. It is not enough that business sent in should be welcomed. There must in addition be conceived, planned and executed many experimental voyages and explorations, some of which may contain no more certainty as to results than was in the mind of Columbus himself when he planned and set in motion his first expedition across the unknown Atlantic. * *

An Alameda County agent, well known for his ceaseless activity, intelligent, full of foresight in his work, recently remarked in perfect good faith that, while 20 per cent. commission on the premiums which he secured (and nothing on those which in spite of time, foresight and energy he failed to secure) was considered a fair remuneration, his manager received the real credit for his work and for the work of every other agent, and enjoyed in addition a fixed and "very large" salary month by month. He claimed to possess as much brain power as his manager—to exhibit, in some directions, an equally fruitful exercise and cultivation thereof—and to have devoted a great deal more time exclusively to the pursuit of his vocation. But he forgot that it is the use to which the strenuous life is voluntarily put by those who have the power to employ it which is the index to, and the measure of, its market value. A manager may not necessarily be more intelligent nor better informed than some of his agents, but the former has for the time being in his direct care that which is sacred, viz., the employment of capital. A certain proportion of the funds of a company are entrusted to him for the single purpose of profitable operation in the department of underwriting. This is first and foremost an executive function, wherein his strenuousness is expected to expend itself, on terms of reward commensurate with the sacredness of his trust, viewed from a personal standpoint and from that of the delegation of duty which is part of his own responsibility. It is his express business to select his subordinates and associates in every capacity, and to see to it that in common with himself their individual relation to the capital which stands back of all is as nearly perfect as it can be. For, although capital is a serene goddess (not faultless, however, in foresight), who bestows her ample favors at will, she nevertheless has vigilant eyes all over her head and a most remarkable memory. To one man she murmurs in kindly caution: "All maids are good—whence, then, come the bad wives?" On another she urges the inscription which some rhythmical monk has written on the refectory of the old Franciscan convent at Lyons:

"BEWARE:
Of wishing all you see;
Of believing all you hear;
Of saying all you know;
Of doing all you can."

In general, then:

1. Continuity in the directing aright of one's energy first attracts the attention of capital.

2. Capital then entrusts itself to it.

3. It is the charge of capital which makes the difference between the compensation of one man and another.

And in insurance there is the additional feature that the capital is to be employed without security. It is to be pledged, so to speak, without guarantee of returns, and therefore to an unusual extent as a matter of all round judgment on the part of the loaner. That same all around judgment (the fruit of brain work) is in a very true sense precisely the capital which the manager himself contributes; and his intangible capital, duly linked with the tangible capital of the company, form a combination not inferior in opportunities of mental exercise, and in possibilities of mutual satisfaction, to any that can readily be brought to mind.

Then take the case of the special agent. I claim that all the points I have been mentioning concentrate themselves in the duties of this indispensable official. Activity of mind, activity of body, progressiveness, knowledge, adaptability both to men and to circumstances, correct perspective, courtesy—all these are his jewels; and when we remember how many commence their career before they are five and twenty, when every faculty is elastic, it is not to be wondered at that they go through a set of experiences which qualify them before they are forty for the few prizes which are at the end of the "greasy pole," even though all cannot in the nature of things grasp them. Their brain work, furthermore, strikes out into another direction than that of the clerk or the manager. On them devolves the carrying, by word of mouth, of the message from the company to the property owner. Theirs is, even now, the spreading of the gospel of coinsurance—the index of the true liability assumed, or, if you please, of the true protection received. Theirs is the proving of the equity of the principle of a rate graded in accordance with the proportion maintained between insurance and value. Theirs is the hammering in of the fact that all insurance companies are distributing trustees only; that they take from the many money to be used or be held in trust or in reserve, for the benefit of each separate contributor to the general fund, seeking for themselves only a fair compensation for the safe handling of the money. That the private capital which is the foundation, the frame work and the crown of the entire structure, must before all things remain intact. That to preserve it intact, and continually strengthen the security which it affords, no underwriting profits are used for dividend purposes. That there is now practically no exception to the rule that the interest on original capital and accumulated earnings alone provides the dividend to the stockholders of our leading fire insurance companies.

Again, theirs is the duty of impressing on the public that the latter has the foremost interest in assisting in the reduction of loss by fire, through the adoption of all preventive means in its power. That taxation of insurance premium, or of the difference between premiums and losses, or of the difference between premiums and losses and expenses, is a direct burden on the property owner himself. That "mutual" fire insurance is possibly tolerable in principle, but entirely uncertain in practice. That the time is not far off when the spectacle will be unbearably ridiculous of fifty-three States or Territories having fifty-three separate sets of laws governing insurance companies. That, in spite of all enmities and disasters, no duly authorized and constituted fire insurance company ever seeks or desires to pay to its clients $1 less than they have lost, when the time comes for invoking the policy contract for indemnity.

The Universal Mercantile Schedule.

A letter has been received by President Evans of the Continental from ex-President Francis C. Moore, written at Monte Carlo on January 5, in which the veteran underwriter comments at much length on the proposed changes in the Universal Mercantile Schedule. Mr. Moore states the general principles of rating by schedule as follows:

What I regard as its essential harmonies and principles, which it seems to me should be recognized in any system of computing fire insurance rates, no matter what changes be made in the individual charges for faults of construction, hazards of occupancy, etc., and no matter what changes be made in the percentage reductions for extinguishing appliances, are:

First—A base rate for a city computed in detail, which should recognize only the features of fire extinction common to all risks. Those features which apply only to individual risks, such as the street main, proximity to engine houses, fire boats, water towers, or salt water pipe lines or a number of steam fine engines which may be available for particular buildings, should be computed for each case, as in the Universal Schedule.

Second—A rate for a standard building, the description of which should enumerate every advantageous feature, in order that it may be educational and available as an answer to builder or architect as to how to build to secure a low rate. But these features should not all be recognized in the schedule by charges as deficiencies from the standard; some of them being recognized by deductions for two reasons:

(a) Some, like self releasing floor beams, fire stops, wire lathing, etc., occur so seldom that it would entail unnecessary labor on the part of the rating expert in 95 cases out of 100.

(b) Because, being so rare, the companies would lose money if overlooked in making charges on 95 risks out of 100, whereas, if treated as deductions, the companies would gain by oversight.

Third—Rates must recognize a greater difference between the stock and its buildings in the case of good building risks than in the case of poor building risks.

Fourth—Exposures must be charged differently for a building and its contents, if there is a difference—as there usually is.

Fifth—Recognition of individual fire preventive and fire extinguishing appliances, watchfulness, etc., must be recognized by percentage deductions, and not by fixed charges for absence. In this way any new appliance can easily be provided for.

Sixth—Maximum allowances must be named for a combination of appliances, especially where a number of remedial agencies are provided of a similar character. For example, automatic fire alarms and watchmen are of the same nature. Otherwise a property owner might claim 100 per cent. reduction for appliances, which, though each good in its way, become surplusage by combinations.

Seventh—The charges for the following features of a building should be the principal ones: Area, height, openings from floor to floor.

It seems to me that any system of rating which does not recognize the foregoing must be wrong. It is possible, not probable, that experience may show changes to be necessary in the individual charges, but the principle of rating should be the same as above.

Solid Building and Few Fire Losses.

Apropos of his recent visit to Germany, President Theodore Stein, of the German Fire insurance company of Indianapolis, thus describes the fire protection of Cassel, a city of 130,000 inhabitants, in that kingdom:

Cassel is smaller than American cities of its population, being confined to an area two by three miles. It was originally a walled city, and, like all of its kind in Germany, the greatest economy of space was practiced in laying it out. There are the same narrow streets, with the buildings seeming almost to touch at the eaves, and in some parts of the city the streets are intricate as well as narrow. This makes what is thought to be an extra hazardous condition in American cities, as insurance rates are almost invariably higher here where there is any probability of fire communicating to buildings across a street.

This fire department in Cassel consists of one fire engine, two hose wagons, well supplied with hose, and about twenty men. There is an extra engine for use in emergencies, which is small and of an almost obsolete design. The large engine is as powerful as many in use in the United States, but there is nothing showy about its design or construction. This fire department has been called out as many as three times in one day, but these days have been ones to remember, and the average number of calls is much less than one a day, and the city has not had a severe fire loss in fifty years.

From the simple statement that there is a city of 130,000 population where one fire engine affords ample fire protection, one might think that the city must be modern in every way, with wide streets and buildings constructed on modern plans of fireproof material, but such is not the case with Cassel and other German cities of its class. The buildings are nearly all very old, some of them four or five hundred years. They are constructed in the old German style, with heavy oak joists and braces filled in with brick and cement. American architects are showing their appreciation of the beauties of this style of building, but, unfortunately, many of the modern houses so built are not as substantially constructed as the originals, and cannot compare with them for durability.

The difference in insurance rates between European cities is entirely due to the class of buildings and not to the methods of

fire insurance companies. In Cassel the buildings in the new part of the city are all constructed of brick and stone and shingle roofs are unknown. Even the partition walls in dwellings that in this country are of wood are built of solid brick or stone in the German houses. In Germany any building inspector who permitted a building to be erected with partition walls like those in most Indianapolis apartments houses would be imprisoned and a similar fate would befall any contractor who dared to erect a building without adequate fire walls.

The Parlor Match Hazard.

The following additional article of the series prepared by State Fire Marshal Henry D. Davis, of Ohio, has been published by him:

The parlor match has attained the prefection of utility and, at the same time, has become responsible for a greater loss of property than any other single invention of man. The early name for it, "lucifer" match, was fitting and should not have been changed, as it was when paraffin was substituted for sulphur to impregnate the stick so it would ignite easily. The "parlor" match is one which makes no sulphurous odor.

In Ohio the burning of buildings by carelessness with these matches is a continuous performance; the attending light is never allowed entirely to go out because a new fire is started for each sixteen hours. The number in the State averages 453 a year with a loss of almost half a million dollars' worth of property—an expensive offering on

THE ALTAR OF CARELESSNESS.

Half a million dollars would pay the difference in cost between parlor and safety matches several times.

Of the 446 fires in 1904 from carelessness with matches, 122 were from children being allowed to play with them; 298 were cases in which those of mature years, and presumably mature judgment, were the culprits, and 26 were instances of matches being ignited by rats or mice.

From what is this incendiary made? Its end is dipped in paraffin, and then in a composition made of phosphorus, a potash salt, ground glass or sand, and gum. Pure phosphorus will burn if exposed to the air, and any mixture of it will ignite at a temperature of 110 to 130 degrees Fahr., which is but little above the heat of the summer sun. Phosphorus is so powerful a poison that swallowing one and a half grains of it will cause death in an adult.

THE SAFETY MATCH.

The safety match is dipped in a mixture of sulphid of antimony, chlorate of potash, red lead, gum and powdered glass. This combination will not ignite by friction unless rubbed upon the phosphorus which is spread upon the side of the box. The phosphorus placed upon the side of the box is previously baked, becoming red phosphorus, which is not inflammable below a temperature of 572 degrees Fahr. and is not poisonous.

The *Spectator* says that a parlor match was responsible for the Sioux City fire, which resulted in the heaviest loss in the West during 1904. A man stepped on the match and the blazing head flew into a pile of cotton batting near by.

A HOT HEADED SPITFIRE.

A match may be ignited by the sun's rays being focused upon it by a bubble in a window pane, an irregularity in a mirror, a water bottle, a fish globe, a spherical paper weight or a pair of spectacles. Matches loose in drawers or desks are liable to take fire from friction or concussion. Matches on the mantelpiece often ignite from the heat from grate or stove; they may be brushed or blown off and ignite from concussion when they alight, or in placing an object on the mantel a match head may be rubbed to ignition.

A blow or friction under the heel or by the bite of a cockroach will set off one of these hot headed spitfires. Matches, other than "safety," should be kept in an iron box or a stone jar and covered so as to protect them from dampness, rats and sunshine.

Ohioans developed and still own the patents on the machine for making parlor matches, which produces all the matches used in South Africa and Chile, and most of those used in Europe. Denmark and Switzerland prohibit the sale of parlor matches, and the city of New York passed an ordinance against them. A letter of inquiry to District Attorney Jerome, brought forth the following:

"DEAR SIR—Such an ordinance was put into effect here some years ago, but after an investigation set on foot by the mayor, the ordinance was abandoned, and now the only restriction imposed upon such manufacture is that each new brand of matches before being placed upon the market must be submitted to the fire marshal in this city for his approval as to the wood and igniting material of which it is composed."

No Marriage Without a Certificate of Health from a Life Insurance Company.

The Insurance Record, London.

The physical well being of the people of these islands and the qestion as to whether present tendencies are favorable or otherwise constitute a problem of exceptional difficulty, which, however, merits the careful attention of every thoughtful person. Like so many other matters of vital importance it has in the past been treated with indifference, and remedial measures neglected almost to danger point. Fortunately, however, there are signs that things are altering for the better. Combined with steps for ascertaining the true position of affairs, the press and those having the public ear, such as preachers, are actively preparing the ground for the introduction of trenchant reform such as can only come when public opinion has been educated up to a higher pitch than is at present the case.

The latest aspect of this takes a form that must be far from displeasing to life assurance offices, for "Ian Maclaren," the famous Liverpool preacher, expressed in an interview the opinion that no man (or woman either) should marry unless able to obtain a first class life certificate from an insurance company. The reason given is that in this way the benefit of an unprejudiced and independent examination is obtained, since insurance companies do not examine merely for the man's own benefit, but for the protection of their funds. A certificate of health given after a severe and unbiased test would justify marriage, and Dr. Watson continues by expressing the hope that the time will come when the state will not sanction marriage unless men and women can qualify for such a health certificate. The *Morning Leader* asked Dr. Dabbs to deal with the matter from an expert medical point of view, and the result of this is given in their issue of the 16th inst. Naturally, Dr. Dabbs is "heart and soul with Dr. Watson as to the intent of his teaching," but, nevertheless, feels it necessary to examine carefully into its practicability, and—in some measure—to fix its limitations. He remarks that it is refreshing to find a man who is listened to and read making his pulpit the Mecca of the sanitary law—a law absolutely inexorable against those who violate it. And it is only to strengthen the force of his pleading that the question is examined in some of its vital bearings. But while agreeing to the insurance office test as a court of appeal, he asks, Is there need for such appeal? As to this he comes to the conclusion that this test might not quite "fill the bill." If a man passed as a first class life, the question is answered; but, if he did not, the question may only be shelved, since there are cases where Dr. Dabbs might not bar a man from marriage even where a life office would not accept him as first class. No doubt in practice some compromise would be necessary, for if all the needy and defective individuals in the community were condemned to celibacy, the number of the elect might be small indeed—to say nothing of the possibility of evils arisng greater than those it is sought to extinguish.

Saved by the Scissors.

SUCCESS AND MONEY.

The literature of our time is liberally seasoned with newspaper and magazine articles, of all sorts and conditions, and all degrees of merit, pointing the way to be followed by the young to reach some sort of a condition that is labeled by all the writers "Success."

Although some of the writers vaguely mention something they call "character" as a goal to be reached, all seem to recognize but one thing as the necessary element of success, and that is what is loosely and vaguely defined as money, property or wealth. In all these articles the man who is pointed out as successful is not the man who has acquired a good moral character, a man who has accumulated a fund of knowledge, which will be dispensed for the benefit of mankind, or a man who has put aside

(*Continued on page* 130.)

Life Insurance Business in Maine in 1904.

(Specially Prepared for The Weekly Underwriter.)

COMPANIES.	Policies Issued.	Policies in Force Dec. 31, 1904	Premiums Received.	Losses Paid.
Ætna	$167,836	$2,102,025	$71,940	$118,790
Connecticut General	46,715	81,887	3,653	11,000
Connecticut Mutual	236,374	3,239,820	103,514	158,939
Equitable	1,547,229	11,089,295	420,031	71,442
Fidelity Mutual	34,280	182,286	4,875	1,000
Home	195,000	441,870	21,219	.....
Manhattan	9,787	253,318	8,934	2,427
Massachusetts Mutual	180,618	2,321,773	86,096	26,856
Metropolitan	1,338,608	3,776,255	489,915	18,980
Mutual	1,230,952	14,645,168	480,502	209,560
Mutual Benefit	546,904	4,982,454	190,243	145,039
Mutual Reserve	279,528	951,076	34,398	30,164
National	227,906	1,766,845	67,612	11,136
New England Mutual	358,172	3,651,156	105,141	67,884
New York	881,655	7,815,339	308,192	152,061
Northwestern Mutual	916,000	6,271,668	248,623	53,295
Penn Mutual	564,556	3,644,649	140,643	44,598
Phœnix Mutual	100,966	1,007,127	41,515	13,137
Provident Life & Trust	237,395	1,575,627	57,025	10,591
Provident Savings	85,778	308,300	12,457	15,000
Prudential	407,788	1,000,559	42,636	4,426
Reliance	10,000	10,000	292	.....
Security Mutual	47,869	232,990	7,309	4,000
State Mutual	78,344	730,017	25,830	7,124
Travelers	453,953	1,943,042	60,309	30,532
Union Central	110,500	593,859	23,545	11,250
Union Mutual	1,681,419	11,140,017	455,495	97,879
United States	18,000	109,540	3,017	6,000
Washington	262,150	1,229,039	47,945	10,425
Totals, 1904	$12,256,282	$87,097,032	$3,562 909	$1,333,534
" 1903	11,642 497	80,120,996	3,034.159	956.015
" 1902	10,359,019	74,128 968	3,036 028	926,880
" 1901	11,976,882	69,000,412	2,391,892	978,352
" 1900	11.104,566	63,621,592	2,245,672	1,022,360
" 1899	9.861,868	57,677,100	2,174,296	870,916
" 1898	7.750 628	52,556 209	1,822,047	772,879
" 1897	8.217,923	49,756 766	1,839,422	571.106
" 1896	7,090,215	46,004,662	1,559,136	886,716
" 1895	6,994.900	43 112,602	1,608,757	903,621
" 1894	7,411,229	39,910,067	1,422,123	576,715

Industrial business: The Metropolitan Life in 1904 wrote industrial business of $3,381,742 in Maine. It had in force December 31, 1904, industrial policies for $3,881,701. The Prudential wrote $487,820, and had in force $973,077.

The Fire Insurance Returns.

The following returns of condition, December 31, 1904, and premiums and losses in 1904, reported to the Insurance Department by companies doing business in New York, have been compiled from the figures published by the *Journal of Commerce:*

COMPANIES.	Admitted Assets.	Fire Premiums Written.	Fire Losses Paid.	Net Surplus Dec. 31.
Ætna	$15,814,054	$5,458,385	$3,358,449	$6,358,956
Aachen & Munich	1,280.323	984,146	634,895	474 220
Agricultural	2,691,926	1,289,697	822,995	712,923
Albany	627,373	210,068	110,832	217,602
Allemania	744,704	442.553	276,604	114,842
Alliance, London	1,002,826	471,034	190,694	445,104
American Central	3,886,739	1,929,716	1,199.809	1,189,276
Atlas	1,802,011	1,378,229	664,981	778,520
American, Philadelphia	2,838,795	1,711,761	1,166,221	219,277
American, Boston	684.715	422,263	406,772	43 985
American, New Jersey	5,232,605	2,028 856	1,119,447	2,036,901
Assurance Co., America	971,491	421,756	512,418	179,773
Atlanta, Birmingham	586,763	414,023	154.392	91,786
Boston	3.957,694	636,699	583,899	1,827,886
British America	1,428,610	1,286,349	892, 108	397.687
British-American	466,470	195.899	173.068	57,080
Buffalo Commercial	502,096	254,984	117,041	104,159
Buffalo German	2,315,519	515.932	238,133	1,574.580
Caledonian-American	301,162	13,732	5.359	89 026
Caledonian	1,785,313	1,293,940	815,356	668.636
Camden	1,392,775	643.988	318,942	430.773
Capital, N. H	525,330	284.637	128.291	74.960
Citizens', Mo	726,017	471,601	335,792	130.664
Cologne	796 230	555,383	262,115	136,407
Colonial, New York	619 115	481.296	300,508	87,121
Colonial, D C	317,320	146.998	85 679	9,874
Commercial Union	5,321.743	4,496,278	2,325.361	1,526,399
Commercial Union, N Y	489.796	240,368	126,887	86,295
Commerce	475,307	206,64	104,549	112,243
Commonwealth	1,312 008	363,171	193 921	46 ,865
Concordia, Milwaukee	1 110,888	697,710	322,017	170,340
Connecticut, Hartford	5.340,136	3,019,703	1,834,134	1,381,979
Continental, New York	14.543,153	5,920 807	3,678,368	6,756,661
Delaware, Philadelphia	1,744,311	825 796	589.484	131,544
Detroit Fire and Marine	1,579.058	340.398	210 719	721,395
Dutchess	827.712	606.820	386.859	110,791
Eastern	401,996	123,947	33,389	115 537
Empire City, New York	$375,463	$225.114	$91,569	$49,787
Equitable Providence	1,238.341	812,847	568,445	156,386
Farmers' York	847,926	513,860	401,184	326,109
Fire Association, Phila	6,538,237	3,848,012	2,314,822	1,002,386
Fire Ins. Co., Phila	967,572	247 651	111,015	163,822
Fireman's Fund	5,859,877	3,775,984	2,005 458	1,588,169
Firemen's, Newark	3,539.717	956.925	395,388	1,642,974
Franklin, Philadelphia	3,029,092	761,401	549.012	925,188
Georgia Home	1,038 668	426,310	399,616	226,486
German-American, Md	396,150	115,934	377,671	76,712
German, Freeport	5,546,127	3,414,398	1,445 939	1,728,766
German Alliance	1.378.968	458,643	302,166	537,856
German-American, N. Y.	12,980,705	5,326,190	3,071 517	5,841,907
German, Peoria	743.542	510.214	316,391	140,180
German, Pittsburgh	746,741	494,839	222,868	113,301
Germania, New York	6,352,699	2,414,277	1,801,614	2,639,225
Girard	2,133,104	544,487	213,669	667,148
Glens Falls	4,176,096	1,359,356	808 449	2,493,183
Globe and Rutgers	3,003,725	2,408,255	1,073,935	804,709
Granite State	685 999	409.180	247.112	125,957
Hamburg-Bremen	2,008,938	1,806,767	1,029,283	409.200
Hamilton	421,507	12,865	161,596	20,000
Hanover	4,112,185	2,685,568	1,794,471	652.063
Hartford	15,604,856	11,870,983	7,252.929	3,981,048
Home, California	1,591,947	1,075,654	588,662	411,931
Home, New York	19,417,329	8,224,383	5,141,986	7,3[illegible]6,321
Indemnity, New York	462 099	273,817	184,087	53,374
Indianapolis	519,534	296,962	144,705	93,106
Ins. Co. of North America	11.933,404	5,356,830	3,284.925	2,603,675
Ins. Co. of State of Pa	608.857	181,052	72.216	56,389
Liv., Lon. and Globe, N.Y.	571,985	203,834	102.990	183.425
Liv., Lon. and Globe, Liv.	12,107,398	5,974,168	4,928.258	5,068,891
Law Union and Crown	889,458	412,385	398 102	356,245
London Assurance	2,241.681	1,567.405	878,168	631,256
London and Lancashire	3,089,281	2,173,737	1,252 639	1,025.667
Lumbermen's	1,340,790	227 371	105,227	660,274
Mechanics', Philadelphia	1,049,623	312,147	166,358	228.623
Mechanics and Traders	634,182	343,830	215,202	109,925
Mercantile, Boston	701,225	322,216	239 505	62.543
Michigan Fire and Marine	1,030,465	473,840	202,020	231,793
Milwaukee Mechanics	2,925,267	1,445.268	901,420	1,204,051
Moscow	1,089,189	924,366	465,388	301,776
Munich	3,694,366	3,812.637	2,872.801	1,010,864
Milwaukee	607,034	306,593	161,098	108,155
National, Allegheny	770 231	283.810	89.187	266,166
Nassau	711.311	430.123	233,071	223,438
National, Hartford	6,483,987	4,423.659	2,898 014	1,671.227
National Union	1,821,784	951,861	489,925	282.215
Netherlands	512,012	61,353	73,216	259.798
Newark	731.578	193 196	77,332	289,283
New Hampshire	3,911,743	1,782.481	1,289.319	1,195,890
New York Fire	555,716	430.339	227,525	65,564
Niagara	4,319,724	2,652,911	1,472,624	1,506,981
Northern	731.283	404,052	337,148	84,528
Northern, London	4,023,115	2,479,964	1,877,334	1,509.196
North Brit. & Mer., Lon	6,481.641	4,115,937	2,870,466	2,947,757
North Brit. & Mer., N. Y	756,015	169.953	54.606	417,398
North German	502,668	348.672	191,869	62,655
North River	1481 887	1,043 084	534.094	383,371
Northwestern National	3,812,117	1,451,621	632.329	1,145.026
Norwich Union	2,752.389	2,126,044	1,662.145	894,968
Orient of Hartford	2,272.683	1,117 370	729,022	657 940
Pacific Fire	475.126	253,311	141,456	121,477
Palatine	2,083 946	1,413,137	880,118	863.394
Pelican N. Y	489.606	297,654	244,401	80,527
Pennsylvania	6,428.988	2,776.449	1,827,255	2 572.221
Phenix	8,007,130	5,875,727	3,396,232	1,720,027
Peter Cooper	378.454	255,141	114,888	100,979
Phœnix, London	3 202,875	2,577,365	1 991,462	1 027,969
Phœnix, Hartford	7,341.884	3,949,698	2,170,561	1,742 346
Providence-Washington	2,678.173	1,985.629	1.228 258	326,412
Prussian National	1,135.394	759,244	370,427	235,611
Queen, New York	6,206,030	3,344,964	2.357,835	2,243.321
Reliance Philadelphia	1,127,079	600,104	440,697	140.850
Rochester German	1,515.749	1,107,457	847,218	388,212
Rossia	1,098,362	895,177	121,298	527,646
Royal, Liverpool	8,450,822	5,259.040	3,369,200	3,005,207
Royal Exchange	2,362.421	1,370,124	1,220,769	593.312
Salamandra	1,272,363	1,327.604	828,542	497,425
Scottish Union and Nat	5.017.777	1,960 002	1,288,679	2,687.047
Security, Baltimore	427 092	315,477	256,209	43 656
Security, Conn	1.597,419	890,905	417,155	269,093
Spring Garden, Phila	1 650,155	920,513	530,591	133,521
Springfield	6,446.898	3,500,605	2,188.590	1,557,340
St. Paul Fire and Marine	4,007 080	2,816,141	1,732,486	1,080,040
Stuyvesant, New York	456.598	316,471	206,788	53,117
Skandia	1,045,545	824 604	546,136	457,322
Star, Ky	316,872	195,951	60,654	16.628
Sun London	3,195,449	2,329,816	1,706,763	1,073,155
Svea	816,708	591 886	309,813	147,160
Traders	2,854.843	1,515,173	952,819	1,086,935
Transatlantic	642,392	361,002	155,408	343.387
Teutonia	807,773	650,157	433,911	86,005
Union, London	1,782.957	1,142.935	957.463	557,412
Union, Buffalo	342,784	44,659	12,644	110,310
Union Philadelphia	623.687	330,173	281,712	127,892
United Firemens	1,757,740	466.227	319.510	164,738
United States	731,911	454.018	322,304	51.625
Victoria	350,539	162,089	122.073	42,967
Virginia F. and M	1,056,360	592,113	323,079	261,519
Virginia State	711,954	424,113	255 482	82.829
Western, Canada	2,360,496	2,176.803	1,625 992	530,149
Westchester	3,636,471	2,028.040	1,226,085	1,368,602
Western, Pittsburgh	624,791	346,513	226,239	41,289
Western Underwriters	831,868	609,352	238,511	101.483
Williamsburgh City	2,586,449	1,148,288	695,090	1,291,588

Fire Insurance Business in Maine in 1904.

(Specially Prepared for The Weekly Underwriter.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Companies of Other States.			
Ætna, Hartford	$9,737,713	$160,329	$86,158
Agricultural, Watertown	778,500	11,634	4,517
American, Boston	423,486	8,339	4,657
American, Newark	436,109	7,122	1,746
American Fire, Philadelphia	1,062,752	17,965	13,143
American Central, St. Louis	1,709 451	33,395	26,176
Assurance Co. of America, New York	259,726	3 601	1,266
Boston, Boston	1,633,394	23,536	12,814
Caledonian American, New York	156,667	2,402	58
Capital Fire, Concord	1,744,929	31,881	9,714
Commerce, Albany	258,560	3,535	1,789
Commercial Union, New York	118,300	1,512	.....
Connecticut Fire, Hartford	2,970,000	47,815	34,662
Continental, New York	3,290,866	55,408	28,744
Delaware, Philadelphia	623,028	10,385	7,496
Dutchess, Poughkeepsie	556,624	11,908	7,578
Equitable Fire and Marine, Prov.	403.590	5,603	5,157
Federal, Jersey City	259,813	3.894	2,137
Fire Association, Philadelphia	3,341,777	55,519	25,218
Fireman's Fund, San Francisco	2,513,636	32,343	16,090
Firemen's, Newark	724,895	9,092	6,812
Franklin Fire, Philadelphia	449,840	6,239	2,347
German Alliance, New York	232,086	3,975	1,617
German-American, New York	4,537,810	65,189	30,396
Germania Fire, New York	834,760	11,526	6,696
Glens Falls, Glens Falls	229 600	3,090	1,083
Granite State Fire, Portsmouth	6 805,242	122,424	71,058
Hanover Fire, New York	1,577,337	23,600	17,912
Hartford Fire, Hartford	6,879,373	105.107	80,613
Home, New York	8,173,495	99,007	100,273
Home F. and M., San Francisco	489,816	7,190	3 375
Indemnity Fire, New York	69,275	1,265	211
Insurance Co. of North America	8 816,226	148,965	82,902
Mercantile Fire and Marine, Boston	718,225	12,537	8,213
National Fire, Hartford	4,805,605	61,283	30,676
National Union Fire, Pittsburgh	113,000	1,608	.....
New Hampshire Fire, Manchester	3,135,770	47,165	40,354
Niagara Fire, New York	1,987,091	41,226	22 195
North British and Mercantile, N. Y.	88,100	514	.....
Orient, Hartford	954.638	13,364	9,220
Pelican, New York	59,046	812	.....
Pennsylvania Fire, Philadelphia	910,337	15,656	14,840
Phenix, Brooklyn	2,667,031	41,327	31,598
Phœnix, Hartford	4,562,117	70,887	45,389
Providence-Washington, Providence	1,545,445	16,149	5,262
Queen, Liverpool	1,571,532	23,929	8,850
Rochester German, Rochester	477.789	8,458	8,411
Security, New Haven	470,799	8,310	3,726
Springfield F. and M., Springfield	3,131,001	44,015	30,934
St. Paul Fire and Marine, St. Paul	800 777	12,012	6,237
Traders, Chicago	1.006.181	17,100	8.875
Union, Philadelphia	801,729	11,136	8,711
United Firemen's, Philadelphia	688,347	12,068	3,888
United States Fire, New York	400.337	5,321	6.083
Westchester Fire, New York	708,609	13,366	6,377
Williamsburgh Fire, New York	749,210	10,762	4,918
Totals	$104,451,392	$1,623,799	$999,213
Mutual Companies of Other States.			
Holyoke, Holyoke	$1,338,930	$18,361	$4,160
Providence, Providence	341,000	4,519	514
Quincy, Quincy	1,129 210	17,715	7,220
Traders and Mechanics, Lowell	308.085	20,356	4,601
Totals	$3,117,225	$60,952	$16,495
Companies of Foreign Countries.			
Aachen and Munich, Aix-la-Chapelle	$346,972	$6,303	$5,271
Atlas, London	456,433	7 945	2,280
British America, Toronto	713,211	13,181	11,213
Caledonian, Edinburgh	1,012.040	18,283	11,649
Commercial Union, London	2,235,820	36,953	24,294
Hamburg-Bremen, Hamburg	1,961,642	40,252	24,168
Law Union and Crown, London	137.596	1.792	1,436
Liverpool and London and Globe	5,948,140	85,438	45 724
London Assurance Corporation	1 252,178	19,011	7,110
London and Lancashire, Liverpool	1,631,468	25 324	10,987
National, Dublin	2,892,853	56,006	40,690
North British and Mercantile, London	3,448,290	53,396	30,314
Northern, London	1,748,097	24,479	7,568
Norwich Union, Norwich	1,242,887	20.616	7,197
Palatine, London	402.896	5,619	1,526
Phœnix, London	702,053	13.872	5,826
Prussian National, Stettin	499,738	7,918	4,883
Royal, Liverpool	5,510 757	84,480	53,643
Royal Exchange, Liverpool	1,017,954	14,342	10,705
Scottish Union and Nat., Edinburgh	978,735	16 626	6,486
State Fire, Liverpool	116,342	913	.....
Sun, London	1,410.825	28,270	8.814
Union, London	680,298	5,402	5,209
Western, Toronto	2,059,443	24,628	14,111
Totals	$38,406,668	$611,044	$341,105
Grand Totals 1904	$145,975,285	$2.295,795	$1,356,813

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$143,140,955	$2,143,459	$1.420,325
1902	137,586,324	2,023.443	1,128,960
1901	138,281,591	1,840,633	1,294.851
1900	134,199,002	1,774.653	973,660
1899	129.261,277	1,608,248	1,072,972
1898	118,982,120	1,649,352	893,477
1897	113,883,425	1.608,355	592,799
1896	110,520,986	1,591 240	814,355
1895	102,211,024	1,576,457	847,917
1894	98,490,989	1,534.278	1,048,296
1893	103.875,200	1.473,319	932,637
1892	101.063.423	1,381,601	917.002
1891	92 841,159	1,248.815	785,822
890	92,836.769	1,260,714	726.781
1880 to 1889, inclusive	737,034,993	9,672,136	6,212,859

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 60.3. The percentage in 1904 was 59.09

(Continued from page 128.)

all selfish motives and toiled in lowly and unnoticed fields for the good of his fellows, but the man of millions.

There is a natural reason for this, and that is that the man of millions possesses tremendous power, and mankind has ever both feared and worshipped power. The power of the millions comes not from anything inherent in the millions, but from the bare fact that under present conditions their accumulation must be through some special privilege that gives to the accumulator not only his own legitimate earnings but a forced contribution from the earnings of thousands of his fellow men, to whom he returns no equivalent. People generally do not understand this, and attribute the success to the great ability or the strenuous industry of the successful man.

If it were generally understood that the necessary complement of the millionaire in the industrial field is the presence of the million of poor men whose involuntary contributions go to make his success, the worship of that kind of success would no doubt cease and some other sort of success would be the thing written about and praised by the magazine writers.

In common comprehension $1,000,000 is a vague and misty thing that dazzles the understanding. The average earnings of heads of families in the State of Illinois some years ago were estimated to be about $400 per year. In these more prosperous times, for the sake of the argument, we may estimate these earnings at $500 per year.

If conditions permitted the wage earner to economize to the extent of all his earnings, in 2,000 years he could become a millionaire. The average business man with small capital may be able to save $1,000 per year by extraordinary industry and frugality. If he depends entirely upon his industry and frugality and gets the aid of no monopoly, in 1,000 years he may retire as a millionaire if he lives that long.

With these considerations in his mind even the dullest may see the inconsistency of the writers who hold up the success of the millionaire as a desirable thing and point out the efficacy of industry, frugality and ability as a means of reaching it. We are constantly spurring on the young mind with the misleading argument that there is always room at the top. It is misleading, because it gives a false impression of what the top should be, in equity, and ignores the essential element of monopoly that must aid a man in reaching the top, as it is now understood.

What is needed is more thought and more consideration as to making room for the men at the bottom, so that the conflict, in the attempt to reach the top, may be waged under just and righteous conditions.—*By George V. Wells in Detroit News-Tribune.*

SEIZED THE OPPORTUNITY.

"You must mark down your age in this blank space," said the insurance agent to the beautiful woman.

And she did. She marked it down from 28 to 22.—*Cleveland Leader.*

VARYING POINTS OF VIEW.

Everything hinges upon the standpoint. During life, insurance seems an expense; after death, it looks like the excellent investment it really is.—*The Union Mutual.*

GINGER TALKS.

The first rule for driving a nail into a board is to get your eye on the nail. Similarly, the first rule for driving a fact into a man's mind is to see that fact clearly yourself. It takes a long time to explain what you don't know. A man can't sail a catboat in a straight line unless he picks out some particular object to point at, and a salesman can't talk with any effect unless his mind is fixed on definite, specific ideas.

It isn't enough, when you begin to talk a proposition, to have a general idea of what you are going to say.

Suppose a hunter out with a gun should remark: "I know in a general sort of way what I am aiming at. I've got a kind of an idea of where I want these pellets to go. I'll start in and shoot a few rounds at random, and after I have been firing for a while I'll begin to find out what I want to hit."

If there were 1,000 birds within range of his gun, that kind of hunter couldn't bag enough game to furnish a stray kitten a square meal.

The first rule for selling an article is to know the article. Know it inside and out, at every angle and from every point of view. Have a chart of its good points worked out in your mind, carefully classified down to the last detail. Know three unanswerable arguments, a couple of sets of figures and a handful of illustrations to enforce every point. Never stop studying your product. Every time you look at it hard you'll see something new in it that's good, or some new and telling way of driving an advantage home in the mind of a prospective customer.

The second rule for selling an article is to know all the objections to it and the answer to every one of them before you face a customer.

There's some good answer to every objection, if you can only lay hold of it—remember that. We've sent you a book full of these—get them all into your head. Study them up in advance before you make your calls. Never let a customer spring an objection on you that will take you by surprise. Whenever he throws out an objection, your answer ought to go back at him as a return ball rebounds into a boy's hand when he throws it at the sidewalk. You are at the bat, and the customer is trying to strike you out. No matter what kind of ball he pitches you, it's up to you to hammer his delivery. See that you make good hot line hits—don't pop up any feeble flies or fouls.

You should be so familiar with the answer to each objection that it will automatically jump into your mind and out at your lips when the proper moment comes, just as an actor's speech springs into life when he hears his cue.

But don't let your familiarity with the answer dull your appreciation of its value, or get you into a mechanical way of repeating it to the customer. If you want him to sit up and take notice you must tell it to him as impressively as you would announce that a long lost uncle of his had just died and left him a fortune.

Half way knowledge is all right if you only want to go half way to the goal of success. If you want to get across the line and score a touchdown you've got to know the fine points of the game as you know your own front hall in the dark. You can't compromise on a knowledge of the price list.

These college kickers who score the long goals from the field that 40,000 people travel miles to see didn't pick up the ability casually. The trick looks easy enough. You see the lad take a couple of quick steps and the ball goes sailing across the bar for four points and a victory. It's all over before you can catch your breath. But before the young man learned to take those two steps and swing his foot just right he spent four years in prep. school and three years in college, kicking his leg off in futile efforts to catch the knack of it.

It takes a lot of deep study and a long spell of hard trying before you can learn to do anything in this world that's worth doing. Hard work has been invented a long time, and in a good many thousand years nobody has ever been able to invent a satisfactory substitute for it. If there is any shorter cut to success in this business we shall be indebted to the salesman who will wire it to us at our expense—and he needn't send a night message either.—*Worthington Holman in System.*

HAVE YOU SUFFICIENT PROTECTION?

Has the year brought you prosperity? More life insurance is needed. Has some misfortune been your lot? Even greater stands the necessity of insurance protection. Policies are good for every situation, all conditions, but doubly essential wherever there exists the slightest chance of adversity prevailing in a man's affairs.—*The Union Mutual.*

The Employers' Liability Assurance Corporation

(LIMITED),

OF LONDON, ENGLAND.

Total Available Resources, $6,816,020.00

$1,971,756.98 deposited in the United States for the benefit of United States Policyholders.

SAMUEL APPLETON, U. S. Manager and Attorney,
71 Kilby Street, Boston, Mass.

EDMUND DWIGHT, Resident Manager for New York State,
76 William Street, New York.

SUCCESSFUL LIFE INSURANCE MEN

wishing to secure a first-class contract with a continuous renewal interest should communicate with

Security Mutual Life Insurance Co.

BINGHAMTON, N. Y.

CHAS. M. TURNER, President.

New policy forms with special features very attractive to prospective insurers.

FOR FULL PARTICULARS ADDRESS

A B. HOWE, Assistant General Manager.

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000

STATEMENT DECEMBER 31, 1904.

Resources (including Capital, $2,500,000),	$5,837,309.20
Liabilities (including Reserve, $793,173.24),	1,204,075.01

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

TELEPHONE: CORTLANDT 5395.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y

Telephone: 3894 John.

FORTY-FOURTH YEAR.

THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.

GEO. R. CALLIS, Sec'y and Treas.

ISIDOR RAYNER, General Counsel.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.

SUN

Insurance Office of London

FOUNDED 1710.

United States Branch: 54 Pine St., New York.

Western Department: 171 La Salle St., Chicago.

Pacific Department: 215 Sansome St., San Francisco.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1904, $834,310

CHAS. LYMAN CASE, Manager.

4 PINE STREET, - - - - - NEW YORK.

THE AMERICAN FIRE INSURANCE COMPANY.

OFFICE COMPANY'S BUILDING. *308 and 310 Walnut Street, Philadelphia.*

CASH CAPITAL,	**$500,000.00**
Reserve for Reinsurance and all other claims,	**1,978,814.57**
Surplus over all Liabilities,	**354,025.78**

TOTAL ASSETS, JAN. 1, 1904, $2,832,840.35.

THOS. H. MONTGOMERY, *President.*
JOHN H. PACKARD, JR., *Vice-Pres. and Sec'y.*
WM. F. WILLIAMS, *Treas. and Asst. Sec'y.*
WM. B. KELLY, *Gen'l Mgr.*

DIRECTORS.

Thomas H. Montgomery.	Charles S. Whelen.	Edward Lowber Welsh.
Israel Morris.	Edward F. Beale.	Archibald R. Montgomery.
Joseph E. Gillingham.	John S. Gerhard.	John H. Packard, Jr.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Sec'y.

Agencies in all the principal cities of the United States.

"SAFE AS A NATIONAL BANK NOTE."

The Inter-State Life

ASSURANCE COMPANY,

INDIANAPOLIS, IND.

CHARLES A. SUDLOW, President. F. P. DAVENPORT, Secretary

EASTERN DEPARTMENT: 621 Walnut Street, PHILADELPHIA.

H. E. ROBERTS, Second Vice-President.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. - T. A. RALSTON, Sub-Manager.

BRITISH AMERICA ASSURANCE CO. INCORPORATED 1833.

FIRE AND MARINE. HEAD OFFICE—TORONTO, CANADA.

UNITED STATES BRANCH.

JANUARY 1, 1905.

Assets	$1,428,610.75
Liabilities	1,030,923.14
Net Surplus	$397,687 61

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$25,500,000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

The Columbian National Life Insurance Company

BOSTON, MASS.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

PERCY PARKER, President. **WM. BUTLER WOODBRIDGE,** Second Vice-President.

What is the use of saying "the best company," or "the strongest company," or "the largest company"? They all say these things.

We say simply

The Penn Mutual Life Insurance Co.

OF PHILADELPHIA. Organized 1847.

That tells the whole story

C. H. Bunker, President. A. A. Smith, Secretary. Franklin H. Head, Vice-President. H. G. B. Alexander, 2nd Vice-Pres. and Gen. Mgr.

Continental Casualty Company

POLICIES ARE PROTECTED by more than ONE MILLION DOLLARS ASSETS.

Capital Stock, $300,000.00
Accident and Health Insurance
General Offices, Chicago

OVER FIVE MILLION DOLLARS paid in claims to 170,000 of our POLICY HOLDERS.

GOOD CONTRACTS IN GOOD TERRITORY TO GOOD MEN

Producers, address H. G. B. Alexander, 2nd Vice-Pres. and Gen. Mgr. 134 Monroe Street, Chicago.

AGENTS WANTED

BY

The Manhattan Life

OF NEW YORK

Exclusive Territory
Liberal Contracts

STRENGTH
SECURITY
SOLIDITY

Established 1782.

Phœnix Assurance Company, Ltd.,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.

Head Office for the United States, 47 Cedar St., N. Y.

A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.

A. D. IRVING, JR., Sec.

1851 Phoenix Mutual Life Insurance Company 1904

OF HARTFORD, CONN.

Issues every Desirable Form of Policy known to modern Life Insurance.

The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates etc., will be given on application to the Home Office

JONATHAN B. BUNCE, President.

WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

THERE IS

Always a Good Opportunity for a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents

32 NASSAU STREET, NEW YORK CITY

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
Net Surplus	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS—January 1, 1904	$33,590,999.39
LIABILITIES	30,943,508.01
SURPLUS	2,647,491.38

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Vice-President.

New York Office: Empire Building, 71 Broadway.

GEORGE J. WIGHT, Manager of Agents for Southern New York

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office 50 and 52 Pine Street.

New York City.

STATEMENT JANUARY 1, 1904.

Assets	$1,734,353.51
Liabilities	992,722.08
Net Surplus in the United States	$741,631.43

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, President.

Assets (Market Values) January 1, 1904	$87,458,889.12
Liabilities	80,748,046.91
Surplus	6,710,842.23

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

SAFETY FUND INSURANCE.

NIAGARA

Fire Insurance Company

OFFICE: 135 & 137 BROADWAY. OF NEW YORK.

THE METROPOLITAN PLATE GLASS AND CASUALTY INSURANCE COMPANY OF NEW YORK.

Home Office: 47 Cedar St.

Chartered 1874. The Oldest New York Company in Its Line.
Assets, January 1, 1904, $591,813.08.
Surplus to Policyholders, 389,895.29.

Plate Glass and Personal Accident Policies

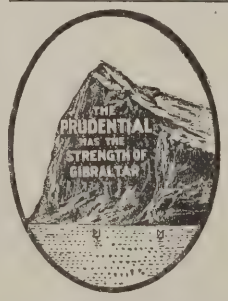
OF THE MOST APPROVED FORMS.

EUGENE H. WINSLOW, President, DANIEL D. WHITNEY, Vice-Pres't
S. WM. BURTON, Secretary. ALONZO G. BROOKS, Ass't Sec'y.

RELIABLE AND ENERGETIC AGENTS WANTED.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men
The Grand Prize was awarded the Prudential at the St. Louis Exposition.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1904

On the 1st of March, 1904, **The Connecticut Mutual** reached a stage in its history very interesting to its management and its members, and one which is unique in the history of American Life Insurance.

On that date, but little more than fifty-eight years from its organization, it had received from its members in premiums the sum of $228,376,268, and had returned to them or their beneficiaries $228,724,073, or $347,805 more than it had received from them.

The Connecticut Mutual is the first American Life Insurance Company to return to its members one hundred per cent. of its receipts from them. And it holds besides $65,000,000 of assets, with a surplus of over $4,600,000, to protect over 70,000 policy-holders insured for over $166,000,000.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company
OF NEW YORK.

FORTY-FIFTH YEAR.

HOME LIFE
INSURANCE COMPANY
OF NEW YORK.

GEORGE E. IDE, President.

Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036.00
Contingent Fund,	$228,211 31	
Net Surplus,	1,134.104 25	1,362,315.56
Insurance in Force,		74,892,289.00

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York.

FORTY-FIFTH ANNUAL STATEMENT
OF

THE WASHINGTON LIFE INSURANCE COMPANY

141 BROADWAY, NEW YORK.
JANUARY 1, 1905.

ASSETS.	
Stocks and Bonds, Market Value	$479,343.08
Real Estate, New York Insurance Department Valuation	6,476,284.00
Bonds and Mortgages	6,732,400.00
Loans on Company's Policies	1,603,020.68
Cash on Hand and in Banks and Trust Companies	1,767,149.34
Interest and Rents Due and Accrued	115,827.79
Net Amount of Uncollected and Deferred Premiums	312,419.31
	$17,486,444.20

INCOME.	
Premiums	$2,733,416.01
Interest and Rents	895,301.42
All Other Receipts	663,650.00
	$4,292,367.43

LIABILITIES.	
Reserve as per Certificate of New York Insurance Department	$16,737,235.00
All Other Liabilities	173,893.20
Surplus as to Policyholders	575,316.00
	$17,486,444.20

DISBURSEMENTS.		
Total Payments		$3,564,931.98
Including Death Claims, Matured Endowments and Annuities	$2,000,629.27	
Dividends and Surrender Values	412,330.73	
Balance		727,435.45
		$4,292,367.43

CERTIFICATE OF THE VALUATION OF POLICIES
3, 3½ and 4 Per Cent.
STATE OF NEW YORK INSURANCE DEPARTMENT. ALBANY, January 23, 1905.

I, Francis Hendricks, Superintendent of Insurance of the State of New York, do hereby certify that The Washington Life Insurance Company of the City of New York, in the State of New York, is duly authorized to transact the business of Life Insurance in this State.

I further certify that in accordance with the provisions of Section eighty-four of the Insurance Law of the State of New York, I have caused the policy obligations of the said Company, outstanding and paid for on the 31st day of December, 1904, to be valued as per the Combined Experience Table of Mortality at four per cent. interest, and the American Experience Table of Mortality, at three and one-half and three per cent. interest, and I find the net value thereof, on the said day, to be Sixteen Million, Seven Hundred and Thirty-seven Thousand, Two Hundred and Thirty-five Dollars.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused my official seal to be affixed, at the City of Albany, the day and year first above written. [SEAL.] FRANCIS HENDRICKS, Superintendent of Insurance.

BOARD OF DIRECTORS.

CHARLES H. ALLEN,
Vice Pres. Morton Trust Company, New York.
DUMONT CLARKE,
President American Exchange National Bank, 128 Broadway, New York.
SAMUEL B. CLARKE,
Lawyer, 32 Nassau Street, New York.
SAMUEL P. COLT,
Pres. Industrial Trust Company, Providence, R.I.
CHARLES F. CUTLER,
President American Telegraph and Telephone Co., 15 Dey Street, New York.
CHARLES D. DICKEY,
Brown Brothers & Company, New York.
H. WARD FORD,
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President Morton Trust Company, New York.
MORGAN J. O'BRIEN,
Justice Supreme Court, State of New York.
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23 South William Street, New York.
JOHN TATLOCK,
141 Broadway, New York.
E. B. THOMAS,
President Lehigh Valley Railroad Company, Philadelphia, Pa.
DAVID THOMSON,
Lawyer, 141 Broadway, New York.
HARRY PAYNE WHITNEY,
Morton Trust Company, New York.

JOHN TATLOCK.....PRESIDENT
CHARLES H. ALLEN.....VICE PRESIDENT
THEODORE T. JOHNSON.....SECOND VICE PRESIDENT
B. F. ELLSWORTH.....ACTING SECRETARY

THE

Royal Exchange Assurance

OF LONDON.

Incorporated 1720.

UNITED STATES BRANCH,

92 William Street, New York City.

Statement of Condition, U. S. Branch, Jan. 1, 1905.

Assets,	**$2,362,422**
Liabilities,	**1,569,109**
Surplus to Policyholders,	**793,313**

SOUND, SOLID AND SUCCESSFUL

Thirty-Fifth Progressive Annual Statement
of the

New Hampshire Fire Ins. Company

MANCHESTER, N. H.

Statement, January 1, 1905

ASSETS.	
United States Bonds	$26,250.00
Municipal and other Bonds and Stocks	2,838,761.00
Loans on Bond and Mortgage, &c	628,500.00
Cash in Banks and Office	212,650.83
Uncollected Premiums, &c	205,581.51
	$3,911,743.34

LIABILITIES.	
Capital Stock	$1,000,000.00
Reserve for Re-insurance	1,478,071.01
All other Liabilities	233,986.84
Net Surplus	1,199,685.49
	$3,911,743.34

OFFICERS.

UBERTO C. CROSBY, President. NATHAN P. HUNT, Vice President.
G. BYRON CHANDLER, Treas. FRANK W. SARGEANT, Secretary.
FRANK E. MARTIN, Assistant Secretary.
LEWIS W. CROCKETT, Assistant Secretary.

FINANCE COMMITTEE.

NATHAN P. HUNT, G. BYRON CHANDLER, WALTER M. PARKER, FRANK P. CARPENTER, UBERTO C. CROSBY.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL LXXII. SATURDAY, FEBRUARY 18, 1905. No. 7.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

Entered at the New York, N. Y., Post Office as second class matter.

THE friction that has been known to exist for some time in the management of the Equitable Life Assurance Society came to a head at the annual meeting of the directors this week, and the adjustment of differences which took place would doubtless have been had without undue publicity but for the sensational effusiveness of our yellow press. As the settlement involves the reorganization of the control of the Equitable on the basis of mutuality, and puts this great corporation in line with its compeers, the Mutual and New York, in that respect, the clamor that has attended the process may be excused. It was the policy of the founder that the policyholders should eventually govern the company through their chosen representatives, for he caused the provision to be inserted in its charter, and in giving effect to this his successors in the administration, including his son, have unquestionably obeyed their own convictions of duty also. It is inconceivable that they can have at heart any other desire than the safety and prosperity of the Equitable Life, and it will be stronger and better for the agreement which, according to the official announcement of the directors, they have reached.

OF course the flurry in the affairs of the Equitable Life this week inspired Lawson to simulated frenzy again. He was fast becoming forgotten, and here was his opportunity to reimpose himself on the public. How will the following—wired from Boston—do for a "hair raiser":

From one end of the country to the other the policyholders of the big three—the New York Life, the Mutual and the Equitable—are panic stricken. The public have no conception of what is going on at the present time among these people. New business is at a standstill, and old policies to the extent of one million a week in each are being allowed to lapse or are removed to the small companies. I am in very close touch with these holders all over the country, and my daily mail from these is almost beyond belief. Agents are being discharged by the hundreds. Something is going to happen., etc., etc., etc.

As an example of reckless, brazen, malevolent and conscious misrepresentation this will excite the admiration even of the other Prince of Liars. Everybody in the insurance business knows that Lawson's brawlings have had no effect upon it one way or the other, that agents are canvassing and people are taking insurance in the same old way, and that the ratio of lapsing is smaller than heretofore. The sincerity of Lawson's attacks on life insurance companies may be measured by the quality of his veracity.

IT has been semi-officially announced that the committee of fire underwriters having in charge the Arkansas situation has secured the services of eminent counsel, of which ex-Assistant United States Attorney General Beck is one, to furnish an opinion on the constitutionality of the extra-territorial anti-trust law, and that the course of the companies will in a large measure be determined by the nature of the opinion. Should it indicate a strong probability of success in proceedings before the Supreme Court, and an arrangement can be made with the Attorney General of the State not to enforce the provisions of the law pending litigation, the companies would undoubtedly continue their business in Arkansas. Otherwise, they will be forced to get out when their licenses expire on March 1. Meanwhile it is interesting to observe the attitude of the business people in Arkansas, as shown in the interviews which we reprint in this issue from the Little Rock *Gazette*. The prevailing belief appears to be that in some way the insurance companies will take care of them. They freely admit that without insurance they must quit business, but they do not despair that that strong protecting arm will shield them still. There is something almost pathetic in the placid confidence which they exhibit that their "friends" will not leave them naked to the cruel blasts blown on them by Jeff and his Legislature.

MORE remarkable than the exploits of Jesse L. Rogers, the newest phases of which we unveil in this issue, is the inability of the public authorities to put a stop to them. This man has been engaged in an extensive wildcat fire insurance business for more than three years, making his headquarters sometimes in New York and sometimes in other localities, he has been arrested several times, indicted more than once, and refused the use of the mails, and yet he goes on blithely organizing fake companies one after the other, and loading down the mails with his circulars, soliciting subscription to stock, and offering insurance at cut rates, with 35 per cent. commissions to agents. At this moment he is openly engaged in this business in his office in Union square in this city. The inertness or inexpertness of the prosecuting officials is surprising. In Chicago the gang of wildcat operators have been rounded up, and those who have been tried are serving time in the penitentiary. What is the matter with New York? We reprint the literature of the new Hartford Fire, which Mr. Rogers is sowing broadcast, and also give a graphic account of the interviews had with the officers by one of our reporters. The grotesque is surely reached in the description of the president, an obscure but apparently guileless East Side young German physician, who admits that he owns none of the stock, and who warns the enquirer against the concern, with which, he claims, he is no longer connected.

WHILE the anti-trust epidemic rages as it does at present, fire insurance corporations cannot expect exemption from an undiscriminating public, and so there is anti-

compact legislation in States which have hitherto been spared, and there are other proposed means by the law makers of limiting freedom of trading in fire insurance. But the appetite for repression grows upon what it devours, and there is a still further advance in this form of legislation in the appointment of special committees to investigate the fire insurance business and the introduction of bills to create rate making commissions. In two States the first has taken effect. Tennessee has a joint committee of eleven members of the Senate and House sitting to take evidence as to the causes of alleged "exorbitant rates" in the State, and the Minnesota Legislature has appointed a committee of five for the same purpose. In Indiana and Texas, however, rate making by the State is actually proposed. It appeared in Massachusetts and Vermont last year, it will be remembered, but was voted down. The Indiana bill this year creates a fire insurance commission of three persons, to be appointed by the Governor, and to have power to fix "fair maximum rates" on complaint. The salaries are to be $1,500 each—certainly moderate enough for the kind of talent necessary for the work—and the companies are to foot all the expenses. There will be no appeal from the decisions of the commission. The Texas bill is elaborate and complex, and if passed in its present form will require several interpretations from the Supreme Court of the State. It has one merit though; it permits the partial participation of the underwriters in the scheme. Three persons appointed by the Governor are to be fire insurance commissioners, one of whom must be an "expert underwriter." They will receive $2,500 per annum each, and have no connection whatever as officers, agents or stockholders with any fire insurance companies. The bill requires the companies doing business in the State to furnish the commission with their experience on each class of risks written by them in the State during the preceding five years, and with this aggregated information in hand the commission will proceed to "fairly and justly classify all property subject to insurance of whatever character, and establish a reasonable basis rate of insurance on such property." The bill then provides that:

As soon as the commission has adopted and furnished to the companies the basis rates to be charged for standard risks of each class and subdivision, together with the schedule of charges for deficiencies, occupancy and exposure, and the credits for improvements it shall be the duty of the insurance companies operating in this State to apply the schedule so adopted to each individual risk in the State of Texas except detached dwellings and gins. They shall as rapidly as possible rerate the entire business of the State under an application of the schedule furnished by the commission. The insurance companies shall within thirty days after they have been furnished the schedules put at least five experts at work to the end that the work may be rapidly done, and continue them until the work is completed. As soon as each city, town or village is rated a printed tariff of such rates shall be placed in the hands of each company, agent and of any citizen who may desire a copy, and duplicates thereof shall be filed with the commission. The party charged with the management and direction of this work by the insurance companies shall keep in his office and furnish to the commission, if required, a detailed statement of how the rate was made on each risk, to the end that when errors are made they may be readily adjusted. The rating shall be done by all the companies transacting fire insurance business in the State of Texas whether joint stock, mutual or individual underwriters.

It is almost needless to say that the companies are to defray all the cost of this work. The commission is empowered to listen to complaints from either the insured or the insurer, and to investigate and adjust them. Appeal may be made to the courts. The commission shall also regulate the commissions to be paid to agents, "so as to keep the cost or expense of the same at a reasonable price." In several respects the bill is helpful to the companies, both in the enforcement of proper practices and the settlement of probably adequate rates. But the entire project is radically wrong in principle. It takes the administration of their own business out of the hands of the companies, and entrusts it to a body of men, a majority of whom may be capricious, wrong headed, ignorant or corrupt. Worse still the bill, if enacted into law in Texas, establishes a precedent for other States, with the ultimate result that the price of fire insurance may everywhere be whatever the buyer, not the seller, wants it to be—an intolerable and almost impossible condition when the question of business profit is considered. From the point of view of the property owner also we should think the bill would be objectionable, for if the insurance corporations are such greedy and wicked creations as some of the assured profess to believe they are, the buying up of the commission would not be improbable. The attention of underwriters is called to the imminent success of this bill in the Texas Legislature. It has been reported favorably by the House Committee on Insurance, and is therefore nearly sure of passage in that branch of the Legislature.

Facts and Opinions.

The Treasury Department of the State of **Michigan** has recently adopted a **new form of depository bond,** which is to be given by all depositories of State funds. It contains this objectionable feature: "It is mutually understood and agreed that the said surety shall be liable hereunder for only such proportion of the total loss sustained by the said Frank P. Glazier, State Treasurer, as the penalty of this bond shall bear to the total collectible penalties of all bonds furnished by said bank, etc." There follows a clause giving the Treasurer the right to proceed against any one or all of the sureties in case of default by the bank, and giving the sureties the right to proceed against the other sureties in case the one proceeded against shall be entitled to contribution from the other sureties. The evident intent of this new provision is to compel solvent sureties in case of trouble to make good the losses which the weaker or insolvent companies might not pay. The Fidelity and Deposit and the United States Fidelity and Guaranty companies have notified their agents in the State of Michigan to decline to write this bond, and it is expected that six other companies will follow up this action immediately, if they have not already done so. The objecting companies have notified their agents that in no event in cases where they become co-surety on any bonds are they willing to be held liable for any greater amount than their pro rata share of the total amount of insurance, and that without regard to whether or not the share or shares of the co-surety are collectible. To do otherwise would make them not only insure the failure and solvency of the bank whose solvency or failure was primarily assured, but also make them guarantors of the solvency of all the co-sureties.

"A maiden lady friend of my wife's came from up the State to make us a visit the other day," said an insurance man recently. "She had the misfortune on the first day of her stay to **set fire to the lace curtains** in my wife's boudoir while heating her curling iron, and the blaze that followed, though soon put out, did quite some damage. Auntie was overwhelmed with mortification, and was insisting upon going straight back home and drawing on her never too plethoric

bank account to pay for the destroyed property. She was only restrained by force until the fire adjuster came to the house and left a check that was sufficient to replace the burned furnishings. Such a windfall was a mystery to her until the science of insurance had been carefully explained. She knew her lawyer carried insurance on her house, but she had never had a loss, and really was quite ignorant of how it all worked out; in fact, I don't believe she had ever thought of it before. Accident and other forms of insurance were carefully explained to her incidentally by my wife. A day or two later they made a shopping expedition. It was one of those very slippery days last week. Crossing Broadway, the old lady fell and sprained her ankle, and was brought home in a cab utterly disconsolate. On the way my wife said: 'But, auntie dear, there was a great big man alongside of you when you slipped. Why didn't you grab him? Even if he went down, too, it would have broken your fall.' Auntie replied with just a flicker of fun in her eyes: 'My dear, I never did throw myself at any man, and, besides, how did I know whether he was insured?'"

"Deacon" Lowell, the Chicago wildcatter, has been on trial in the Criminal Court there this week, and with less chance of escaping justice than ever before in his long and slippery career. The other wildcatters who have been convicted in Chicago this winter were tried in the Federal Court, but "Deacon" Lowell is under indictment in the State Court on a charge of conspiracy with intent to defraud on the management of the United Underwriters of Chicago—a Lloyds. Indicted with him was W. M. Cowell, of Kenosha, who, when the case was called, pleaded guilty and became a State witness. He has been telling the whole story of the deacon's wildcat schemes, and says boldly that the assets are all fraudulent and of no value, that the underwriters were men of no character or property, who were hired to make affidavits of great wealth in order to give the concerns standing, and that, where necessary, fictitious or worthless assets were turned over to them in order to ease their consciences for the affidavit. Cowell airily characterized the large assets claimed for the United Underwriters as "hot air and blue sky." The case is still on. Incidentally, W. K. Twomey, who has been associated with Lowell in a number of his wildcat schemes, has been arrested charged with attempting to intimidate the witnesses in the case by threatening punishment if they testified against Lowell.

The Tennessee Supreme Court has decided in favor of the plaintiff **the case of J. H. Crawley against the Netherlands Fire** and others, says the *Insurance Field.* One Scovell insured his house in Davidson County for $700 in the Netherlands, and later sold the property to J. H. Crawley for $1,400, part of which was paid in cash, the balance to be paid in monthly instalments. To secure payment a lien was retained in the deed, and it was agreed that Crawley should keep the property insured for $700 as further security to Scovell. The insurance company consented to the transfer, and the agent endorsed the policy as follows: "Loss, if any, payable to the holder of the vendor's lien notes as his interest may appear." After the Netherlands reinsured its business in the Queen, the house was destroyed, and notice was furnished the Queen in accordance with the terms of the policy, and was accepted, but following the adjuster's report the company resisted payment on the ground that Crawley was not the sole owner of the property, had no insurable interest in it, and that the policy was voided by the change in title to the property. The Supreme Court upheld the Chancery Court of Appeals in holding that the Queen was responsible under the policy, and that the complainant was entitled to recover damages.

The *Adjuster*, of San Francisco, narrates the following **history of a human experience:**

Sam Davis, the Nevada newspaper man, and, incidentally, Insurance Commissioner of that State, attended the banquet of the Fire Underwriters' Association of the Pacific last month. He said it was the only serious work he had thus far been compelled to do in connection with his duties as commissioner. It was during Sam's incumbency that the valued policy law was passed by the Legislature of Nevada and became a law by the signature of the Governor. The commissioner told them that they had made a serious mistake, that the field had been unremunerative and that the companies would withdraw. They accused him of talking through his hat. At a subsequent meeting, held at the district attorney's office, where, after about fifteen minutes' discussion, the law was declared unconstitutional and the companies were invited to resume business in Nevada, Mr. Davis took advantage of the opportunity to remark that when he used his hat as a conversational medium it was usually a mighty good hat. Mr. Davis knowledge of the science of fire insurance fitting him for his present official position was gained by an association of twenty years with a policy on his printing plant. At the end of that time, not having had a fire, he concluded to carry his own insurance. It was then, having purchased a spyglass with which to read the conditions of his most recently expired policy, he learned that the absence of governing rods to his engine had rendered the insurance inoperative all the time. As he was then carrying his own insurance he concluded to put in brick walls around the engine and be on the safe side. This was done, and a week after the place burned down.

Sherlock Holmes, we are told, has unraveled his last tangled skein and will no longer follow the elusive clue to the lair of the villain. But he has a successor, more or less worthy, in the person of "Burton McShane," head of the secret service of the New Amsterdam Casualty Company, whose sleuthing stunts are chronicled by one Hathaway, whose prototype is the famous Dr. Watson. The little pamphlet, which is announced as the first of a series, is called **"Burton McShane and the Fiske Case,"** and is an attractive piece of advertising. The plot is simple. The cruel father casts out the wayward son. The old man's home is robbed and local sleuths arrest the erring one. The poor but loving fiancée alone believes the latter's innocence, and, touched by her devotion, the great McShane runs down the true thieves and saves the innocent man. If old Fiske had been insured in the New Amsterdam, he needn't have cared a rap about the robbery, but then there wouldn't have been a story or a wedding. But for the good typography and pictures, it might have been as well at that, for the story is not strongly written though the advertising conception is good.

The absorption of the **National Protective Society** of Wisconsin, a mutual accident and health association, by the National Casualty Company of Detroit, is disapproved of by Insurance Commissioner Host on account of illegal irregularities in the transaction. The commissioner says:

The Commissioner of Insurance of this State had no knowledege of this high handed proceeding until after an examination of the National Casualty Company, upon its application for a license, and all that was possible to save out of this wreck of the National Protective Society for the membership in this State is the $1,000 deposit with the State Treasurer. As this deposit unquestionably represents funds contributed by this membership, the application to turn over this deposit to the National Casualty Company has been refused, pending such action as the membership in this State may desire to take for the appointment of a receiver to recover on any claim they may have against this deposit.

The commissioner has refused a license to the National Casualty to do business in Wisconsin, and has had a bill in-

troduced in the Legislature in relation to the case. The attorney for the Casualty Company has asked Commissioner Host to reverse his action, the the latter refuses to do this unless the officers pay back to the company, for the benefit of the original policyholders, the $40,000 of assets transferred to them.

The annual meeting of the **New England Bureau of United Inspection** took place at Boston, Friday afternoon of last week, with a large attendance. The report of Mr. Turner, chairman of the governing committee, stated that there was a membership of sixty companies. During the past year there were made and delivered to the companies 5,108 inspections, and there were now 3,200 different properties under care and oversight. The Bureau issued 567 new plans, and had eighty-six in various stages of progress. During the year 9,940 cases of defects and deficiencies were found which were considered hazardous. The faithful services of Mr. Turner were acknowledged by a vote of thanks. The election of officers for the ensuing year resulted as follows: James H. Leighton, chairman; H. L. Hiscock, vice chairman; R. W. Hilliard, secretary; Frederick B. Carpenter, treasurer; James H. Leighton, H. L. Hiscock, F. R. Carpenter, finance committee; James H. Leighton, H. L. Hiscock, A. K. Simpson, J. L. Liecty, Walter Adlard.

At Wednesday's meeting of the New York Board **the water supply question** was fully discussed. The Board expressed regret at the city's intention to greatly curtail the district originally laid out for installation of a pipe system for auxiliary high pressure salt water service, and hoped that the original purpose will be adhered to. It was also resolved that the Board favors the use of the high service mains for street flushing, provided separate outlets and connections are furnished for the street cleaning department and that its employees are prohibited from using the fire hydrants. The Board indorsed the use of open sprinkler systems in the fire exposure districts of this city, if installed under satisfactory specifications and furnished with an adequate water supply controlled by valves located where they may be easily reached during the various stages of exposure fires. These should be operated solely by the fire department and given a complete working test once a year.

Another case decided against the **Mutual Reserve Life** in England is that of Mr. Mack, a Liverpool shipowner, who sued for the recovery of premiums paid by him on two policies in the company. The London *Review* of February 3 says:

> The plaintiff said at forty-two years of age he was induced by an agent to take up policies for £6,000 on the representation that the charges were fixed on the age of that entry and that the cost was one-half that of any other ordinary insurance company. He paid the charges for a time, until he found the company claimed the right to increase them, fixed on the age of the assured at the time of the call. This would, as a matter of fact, make the defendant's system three or four times as costly as an English office. Plaintiff repudiated the company's right to make the charges, and paid under protest, ultimately instituting these proceedings. The company said the plaintiff had been guilty of laches, and denied that the agent was authorized by them to make the representations alleged. In the result his lordship held in favor of the plaintiff. Judgment was entered for rescission of contract, return of the moneys paid under them, with 4 per cent. interest and costs.

The anniversary of the great fire in Baltimore, February 7, was observed by the return of hundreds of business houses to their former locations in the burned district, and to the new and greatly improved structures which had been erected for them. The **Maryland Casualty Company** has not yet finished its building, but expects to do so in a few weeks. The United States Fidelity and Guaranty Company has given out the contract for the erection of its new structure, which will be double the size of the former building. The American Bonding Company, it is expected, will return to the rebuilt Equitable Building when it is finished. The Fidelity and Deposit Company was preserved from loss in an almost miraculous manner, as the flames reached directly acress the narrow streets, Lexington and Charles, opposite its offices.

The annual meeting of the **Connecticut Life Underwriters' Association** was held at Hartford Tuesday evening. L. C. Slayton, of New Haven, was elected president, succeeding W. C. Staples. Other officers elected were: Eli D. Weeks, of Litchfield, first vice president; George Van Fleet, of New Haven, second vice president, and Thomas G. Russell, of Hartford, secretary and treasurer. The convention of the National Association of Life Underwriters will be held at Hartford in September, and the executive committee of the Connecticut association was consequently made up of the Hartford contingent as follows: B. W. Miller Scott, F. Willson Rogers, Frank G. Bumhaw, Joseph C. Gorton and Horace S. Howe. The annual banquet took place at the Hartford Club.

On the back page of this issue is presented the forty-fifth annual statement of the **Equitable Life Assurance Society** for the year ending December 31, 1904. It is the usual marvelous exhibit of financial strength. The company has total assets of $413,953,021, total liabilities of $333,158,752, and a surplus of $80,794,269. The company paid out last year to its policyholders $36,389,047, of which amount $18,049,539 was in death claims and over $6,000,000 in dividends. The company has outstanding assurance of $1,495,542,892, and the new assurance last year, less assurance "not taken," was $222,920,037. The reserve of the company is $327,738,358, according to its own valuation, and according to that of the New York Department $326,523,126, which gives a considerable margin in the company's favor.

Considerable interest is developing in the West in the proposition to transfer the future **control of the Insurance Survey Bureau** to the Western Union as one of its departments. Several companies complain of the expense and extra clerical work entailed by the Survey Bureau's reports, and have announced that unless the change is made they will resign from that organization. Other companies say that the bureau will try to get along without them, and hold that if the bureau became a part of the Western Union it could not operate in the anti-compact States, where its reports and advisory rates have been found of great service to the companies.

The **State Life** insurance company of Indianapolis publishes this week in our advertising columns its annual statement as of December 31, 1904. The company now has admitted assets of $3,160,083, surplus of $544,585, and $60,148,994 insurance in force. Its income last year was $2,244,033, and the company has on deposit with the Auditor of State $2,700,000 for the protection of its policyholders. The pyramidal table of comparisons shows the unparalleled growth of this company since its organization. The officers are: Andrew M. Sweeney, president; Samuel Quinn, vice president; Charles

F. Coffin, second vice president, and Wilbur S. Wynn, secretary.

The principal defendant in the insurance fraud cases at Searcy, Ark., **Dr. R. G. Lightle,** died there of pneumonia on February 7. Last May he was supposed to have been burned up in a fire which destroyed his stables. A charred body was buried as his, and his widow collected insurance amounting to $21,000 on his life. An accomplice later confessed to the robbing of a grave and the arrangement of the body to appear as that of Dr. Lightle. The latter, who had gone to Georgia, returned and surrendered himself. He was on trial at the time of his death. The larger portion of the insurance money was returned by the widow to the companies.

The Little Rock *Gazette*—latest issue received—gives the following as the present **situation regarding the King anti-trust law** from the local point of view:

On March 1 of every year insurance companies that do business in Arkansas must renew their bonds and licenses. On March 23 the Locan-King Anti-Trust act will go into effect. Some of the old line insurance companies, and probably a majority of them, have decided, according to our information, to comply with the usual legal formalities on March 1. Then they expect to test the new anti-trust act in the courts. If they can secure an agreement with Attorney General Rogers for a suspension of penalties while the suit is pending they will continue to do business in Arkansas; but if no such agreement can be made the companies will be forced to leave the State. There is the situation.

A lively campaign is in progress **in Missouri** to secure the exemption of insurance from the operation of the anti-trust law and the repeal of all laws governing coinsurance, leaving the acceptance of the clause for settlement between the companies and the insured. The local agents' organizations are co-operating with the commercial clubs of St. Louis, St. Joseph and Kansas City, and with various organizations of business men, who have felt the adverse effects of the anti-coinsurance and anti-compact laws. The framing of the appeal bills has been left to the attorneys of the business men's league.

We have received an advance copy of the **Fire Insurance Pocket Index** for the year 1905 from the Spectator Company, 135 William street, New York. The compilation covers the ten years ending December 31, 1904, and the publication is now in its thirty-seventh year. It gives detailed statistics of the officers, financial condition and operations of the American and foreign fire insurance companies operating in the United States, and specifies also their marine and inland business. Its utility to all underwriters is apparent, and it sells for 25 cents in paper covers and 50 cents in flexible leather.

At a special meeting of the stockholders of the **Ætna Life of Hartford** on Wednesday the office of vice president was revived and Secretary J. L. English advanced to the position. Major Charles E. Gilbert was made secretary. The office of vice president of the accident and liability department was created and Walter C. Faxon elected; John M. Parker, Jr., was made department secretary of the accident department, and J. S. Rowe secretary of the liability department. The office of assistant treasurer was made and Morgan Bulkeley Brainard placed in the position.

The **former mayor** of Charlottesville, Va., J. Samuel McCue, who was recently **hanged** for the murder of his wife, was heavily insured. He had policies aggregating $73,000; $15,0000 in the Northwestern Mutual, $10,000 in the New York Life, $10,000 accident and health in the Fidelity and Casualty, $10,000 each in the Equitable, Fidelity Mutual and Travelers; $5,000 in the Life Insurance Company of Virginia, and $3,000 in the Royal Arcanum. It is probable that payment will be contested on a number of these claims on the ground of public policy.

The **Cleveland Association of Life Underwriters** held its annual meeting February 4, electing the following officers: President, O. W. Carpenter, Union Central; vice presidents, Nathan Kendall, Penn Mutual, and R. C. Allen, Mutual Benefit; secretary, R. H. Richards, Provident Life and Trust; treasurer, O. N. Olmstead, National of Vermont. It was announced that President Dolph, of the National Association, will attend the annual banquet March 9. The membership now numbers 116. The fund for the prosecution of rebating now amounts to $355.

The annual meeting of the **Life Underwriters' Association of Cincinnati,** Ohio, was held at the Business Men's Club on Wednesday evening, February 8. National President John Dolph was present and spoke. Officers were elected as follows: President, William D. Yerger, Provident Life and Trust; vice president, S. M. Brandebury, the Mutual Life of New York; secretary and treasurer, Isaac Bloom, Penn Mutual; executive committee, E. W. Jewell, George C. Dieterly, Harry Walter Hutchins, John A. Ringold, Charles E. Logan and M. W. Mack.

The **Life Underwriters' Association of Western New York** met in Buffalo on Monday and elected these officers for the new year: President, H. E. Crouch; first vice president, F. M. Wheaton; second vice president, D. C. Ralph; secretary and treasurer, Edgar C. Fowler. The executive committee is composed of F. M. Wheaton, chairman; E. G. Hatch, F. A. G. Merrill, E. D. Horgan and F. B. Steele. A loving cup presented by W. C. Justice for the best essay on "The Ideal Insurance Solicitor" was awarded Melvin P. Parker.

A warrant is out for the **arrest of John O. Cox,** for the past nine years employed in the Boston office of the Atlantic Mutual (marine) insurance company, charging him with forgery in raising a $10 scrip certificate of the company to $10,000, and obtaining a loan of $8,000 thereon. Cox disappeared from Boston February 4, and some of his belongings were found in the stateroom of a Fall River boat. The police think that this was a ruse to induce the belief that he had committed suicide.

All of the leading **surety companies** have notified their agents of an **advance in rates** to take effect immediately, and while some of the agents naturally demur, there has been a hearty co-operation with the home offices. It is universally recognized that surety rates have become so ridiculously reduced as to threaten the very existence of the companies, and there is a universal feeling that the present advance, which is a very conservative one, will have to be followed by others.

The report of the special committee of the **Western Union** on the **program for the semi-annual meeting** to be held at

Philadelphia next month contains but two special items outside of the regular reports of standing committees. These are as to the advisability of making the Insurance Survey Bureau a part of the Western Union, and the changes necessary in the rules governing sprinklered business to preserve it for members against mutual and non-Union competition.

At Knoxville, Tenn., this week, Thomas C. Tanner was arrested on a warrant charging him with **granting a rebate** on the premium for a life insurance policy. The warrant was sworn out by Charles D. Bair, of that city, superintendent of agents for the Mutual Benefit Life insurance company of Newark. Tanner is special agent for the Mutual Life of New York. He waived preliminary trial and was held to court under a bond of $250.

An opinion as to whether an **underwriters' association in Texas** would be in violation of the anti-trust act is being sought of the new Attorney General of that State. The former Attorney General, Mr. Bell, held that such would be a violation. Former Attorney General M. M. Crane and J. T. Trezevant, of Dallas, recently went to Austin and laid the matter before the new appointee, who has taken it under advisement.

The case of **Green against the Hartford Life,** in the Superior Court of Craven County, N. C., was decided in favor of the company yesterday on the ground that the plaintiff did not produce any evidence showing that the company had injured him by changing its business from the assessment to the legal reserve plan. This case has an important bearing on others.

A decision this week in the Federal Court at Kansas City in the case of **James McKinney against the Queen** insurance company et al. to recover $40,000 on various policies gave verdict for the companies. McKinney, a few weeks before the fire, increased the insurance on his commission house from $7,000 to $44,000. The company's defense was that McKinney fraudulently swore to certain invoices.

The **Life Underwriters' Association** of Nebraska, held a meeting at Omaha last week and officers were elected as follows: John Dale, Ætna Life, president; H. R. Gould, Prudential, first vice president; H. H. Loughridge, Equitable, second vice president; Jos. B. Clarke, Germania Life, secretary; Chas. W. Rainey, Mutual Benefit, treasurer. The association consists of about fifty active members.

An agreement has been reached by the committee of the Insurance Commissioners' convention and the representatives of the National Fraternal Congress on a **uniform bill for the supervision of fraternal societies.** Valuation of the policies has been omitted as desired by the fraternals. The bill as a whole, however, is still opposed by the Associated Fraternities organization.

The **Michigan Life Underwriters' Association** held its annual meeting and banquet February 6 at the Fellowcraft Club in Detroit. An entertaining program was presented, and the following officers were elected: President, Will A. Waite, Phœnix Mutual; vice presidents, E. C. Campbell, Union Central, and F. G. Harvey, Metropolitan; secretary and treasurer, Nicholas J. Dixon.

The **National Masonic Accident Association** has been consolidated with the North American Accident Company of Chicago, and Mr. H. C. Alverson, who was manager of the former at Des Moines, Ia., continues as manager of the Masonic branch of the latter. Mr. Frank Miner of the *Underwriters' Review* was the intermediary in the transaction.

The surety agents comprising the membership of the **Surety Association of Washington, D. C.,** held their second annual banquet at Rauscher's, in that city, February 9, and about fifty representatives of the various companies and visiting officials from the home offices sat down to a thoroughly enjoyable banquet and social reunion.

The first meeting of the new participating membership of the **Insurance Library Association of Boston** took place at the Exchange Club last evening, under the auspices of the lecture committee. A dinner preceded the exercises, which were grouped around a talk by Mr. Merrill, of Chicago, upon the laboratory work in that city.

The old **Phœnix** insurance company of **Hartford,** Conn., presents with the new year a statement showing that the company has $2,000,000 capital and $7,341,885 assets. The surplus of the company as regards its policyholders is $3,742,346 and its reinsurance reserve $3,070,612. Since organization it has paid losses of $53,072,774.

A resolution was adopted by the New York Board on Wednesday approving the course of the Board's representative, **Henry Evans,** president of the Continental insurance company, at the conference of civic organizations, and empowering him to speak and act for the Board at the hearing in Albany next Tuesday.

The insurance on the British steamers Apollo and Scotsman, which have been captured by the Japanese, amounts to $550,000. The aggregate **insurance on twelve steamers bound for Vladivostock** which have been seized by the Japanese since January 13 amounts to over $4,000,000, mostly in Lloyds of London.

The detailed report on the **test** by fire and water **of a patent** interlocking **plaster block partition** has been issued in pamphlet form by Prof. Ira H. Woolson, of Columbia University. The test was made at the university testing station, and the reports may be had for 25 cents each.

The **National Fire of Hartford** is the leader in Michigan premiums for 1904, largely because of its reinsurance of the Grand Rapids Fire. It wrote $242,927, the Liverpool and London and Globe, $190,433; Royal, $165,418; Continental, $173,572, and Detroit Fire and Marine, $151,469.

A heavy loss was sustained on the **plant of the Columbus Merchandise Company** at Columbus, Ohio, last week, in spite of its sprinkler equipment. As so frequently happens, the fire came while the equipment was out of service, attachment being made to two new pressure tanks on the roof.

It was announced last week that the **American Bonding** Company has agreed **to co-operate in the burglary compact** at Chicago, through Fred. S. James & Co., its general agents. The American Fidelity Company of Vermont is at present the only company outside the agreement.

The **Boston Life Underwriters' Association** will dine at the Vendome next Tuesday evening. James M. Beck, of New York,

(*Continued on page* 144.)

THE RELATION OF PAYROLL TO CERTAIN LIABILITY LINES.

By Walter G. Cowles, Secretary Liability Department, the Travelers Insurance Company.

In so far as liability insurance is written to cover the hazard of manufacture or construction, the compensation of those engaged in the operation appears to be a wholly rational and satisfactory basis for premium computation. At least the experience of the companies has developed no acceptable substitute. Search for a substitute would be unnecessary if the treatment of wages and their application to the premium producing powers of the risk were at all uniform.

In the early years of liability underwriting, occupations were of necessity somewhat roughly classified, but recent experience has permitted much refinement of classification, and, as a result, such companies as have maintained a uniform practice have reached a fairly safe basis for classified rating. Liability lines have been underwritten in this country for practically twenty years. The experience of twenty years, if rationally produced, ought to be reliable, but the experience of a hundred years, if it proceeds upon varying conditions of premium bases or vacillating administrative practices, can never be reliable.

In the manufacture or construction of a thing the hazard undertaken is solely that of the creative operation. The hazard stops with completion and delivery, or, in other words, the hazard begins when the payroll upon the operation begins, and ends with the payroll when the thing is completed. At once the expenditure of payroll becomes the correct measure of the limitation of the hazard, fixing the point where it begins and the point where it ends in the operative process. The hazard may begin at practically any point in the processes leading up to completion, provided the reported payroll begins at the same point, and the hazard ends with completion because the payroll ends there.

Payroll also satisfactorily measures the extent of a hazard in the sense of volume. The hazard created by doing a thing may be found in each act or omission of each person engaged in the operation. For this reason policies contain conditions limiting the hazard undertaken to the reported payroll. These conditions are largely maintained as expedients to cure serious errors in practice. They actually accomplish nothing in the direction sought. They fall far short of a remedy for the lamentable practice of the companies in accepting portions of a payroll rather than the entire payroll as the premium basis. Here consistency and rational practice go adrift. If there must be exceptions to payroll, and if those exceptions could be fixed in some uniform way, there would be some gleam of reason in the situation; but as it is, some companies, either through greed for business or a total failure to understand the fundamental principles of liability underwriting, are, by their practices, threatening their prosperity, ruining their experience, and treating their policyholders unfairly.

Payroll also sustains another known relation to the hazard through its effect upon the probable amount of loss in case of an accident. When an injured man seeks to recover damages for his injury, his earning capacity becomes at once a prominent factor in the measure of damages, and this fact at once harmonizes the varying conditions incident to every payroll. All men are not paid alike. Some receive more compensation than others by reason of greater skill or by reason of position or other considerations affecting compensation, but the premium rate applied to the varying compensations, be they great or small, remains quite consistent with the hazard because in the event of liability the verdict producing power of the claim made by the man who receives a large compensation is theoretically just that much greater than the verdict producing power of the man receiving a smaller compensation if each claim is based upon the same conditions and the same injury.

This point may be carried a step further, because payroll is used not only to measure the hazard of injuries caused to employees but also injuries caused by them. Since those who earn higher wages are usually possessed of more or less authority, the injuries which they cause to others are more likely to charge the employer by reason of the superior station of the highly paid employee who causes them. As a general rule the active managers, superintendents and foremen are the operative employees receiving the largest compensation, and from these superior servants comes the largest measure of the source of liability. In some States the negligence of a superior servant entrusted with superintendence charges the employer without regard to the nature of the act, while in other States the rule is less severe, and yet the superior servant universally charges his employer with his negligence in the discharge of duties incumbent upon the employer. These conditions, therefore, are very fairly measured by the increased wage earnings of those most likely to create liability and those most likely to produce large claims. The idea that an accident with which an employer can be charged cannot ordinarily be sustained by a manager, superintendent or one in particular authority exists in many minds, but is assuredly a fallacy.

These suggestions may well be applied to the entire executive payroll. There is absolutely nothing inconsistent in the application of an agreed premium rate to an entire corporate payroll, beginning with the president, ending with the office boy, and including between those extremes every operative and every clerk. That the prevailing manual rates would be modified by such a complete payroll basis is obvious, but without some such treatment of payroll resulting experience can never be exact. We find in our experience many honest men who understand the wages requirements in their policies to mean merely the regular workmen, and when called upon for a report of wages for the purpose of adjusting the premiums, they report in apparent good faith as they understand the contracts, with results which vary quite widely. We have found some who regard as employees only those who occupy positions inferior to that of a foreman. These employees are all fellow servants, and accidents caused and suffered within the limits of such a payroll would involve no liability. The purpose of the policy is thus defeated by the exclusion of practically all the real hazard.

The existing misunderstandings respecting the application

of payroll has led in recent years to the improvement and enlargement of that very necessary service known as "payroll audit." When the true purpose of audit is well understood by policyholders, the auditor will be welcomed rather than suspected. The time is not far distant when policyholders will begin to understand that when an auditor calls to inquire into his method of treating payroll, and to correct any misapprehensions in regard to his practice in that respect, that call represents an effort to bring every risk in that classification to the same premium basis as to payroll, and guarantees to the particular policyholder the same rate under the same conditions and upon the same payroll treatment as his business competitor in the same line obtains. Error in premium basis, whether honest or dishonest, must sooner or later reflect itself in the experience, and every policyholder ought to be interested to know that some one, on behalf of the company, is making inquiries to learn whether or not all payrolls are treated in the same manner. The payroll auditor is the court of equity upon payroll conditions. He is the adjuster of the payroll basis, which, in groups, forms the classification and produces the rate.

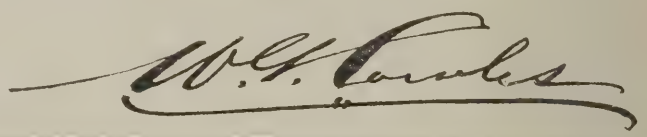
How long would policyholders willingly pay the established fire rate for stables if they knew that in the stable classification was included a lot of powder houses which influenced the rate? As in fire hazards, construction and occupancy play an important part in the basis for the premium, so in liability hazards, the nature of the operation and the payroll have the same relation. If these elements are misrepresented or misunderstood, the result is unfair to every policyholder. It therefore seems reasonable to assume that at no far distant day the payroll auditor will be welcomed as the particular incident in a liability transaction, calculated to equalize and doubtless to reduce the cost of the insurance.

There are many kinds of risks customarily written upon payroll which are improperly written. The risk of maintenance may be used as an illustration. Maintenance necessarily involves payroll, but the hazard of maintenance becomes greater as the payroll becomes less, upon the theory that maintenance is neglected when payroll is withdrawn. An example would be a telephone or electric light company, where the proper maintenance of the plant is dependent upon the number of men employed in the work. Many managers have certain ideas of economy with which other managers would not agree, and practice with regard to maintenance varies. If the payroll has any bearing upon the hazard of maintenance, it may, with more truth, be claimed that the rate should increase as the payroll decreases, but the companies have no fixed starting point for applying this or any other rule; hence the prevailing practice must be regarded as inconsistent in this respect. Would payroll answer the requirements of a measure for the hazard of maintaining advertising signboards for example? These structures are cheap and insecure at best. The collapse of one or more does not wreck a system or plant, and is, therefore, of little importance to the owner, who knows that proper inspection and constant repair are more expensive than reconstruction—and insurance. Those engaged in the management of electrical enterprises whose wires occupy the public thoroughfare will not, of course, permit their maintenance payroll to become so reduced that the plant will be destroyed or even materially injured, but without substantial injury to the plant they may not employ the necessary labor to remove the points of danger as they accrue, such, for instance, as dead wires, probably the most prolific source of danger in all overhead electric hazards. Wires in service are under observation, but wires out of service are not, and a dead wire becomes an immediate and ever present source of danger, which the maintaining company with a large payroll would remove, while the maintaining company possessed of ideas of economy might overlook.

These things merely serve as an illustration of a large class of risks. Sooner or later some other measure for maintenance must be discovered, and in so far as it is applicable it is probable that the eventual basis for this class of risks will be the gross earnings of the enterprise, although that is not in all respects a satisfactory basis for obvious reasons.

We might go much further with the discussion; consider the bearing of payroll upon risks where there are individual or copartnership employers who, perhaps, actually engage in the operative procedure; we might discuss at length the various possible treatments of executive and clerical payroll, and try to find a satisfactory rule for separating one from the other; we might go more deeply into the question of the public hazard, which has merely been touched upon incidentally, and show that payroll, although generally accepted for operative procedure, is not a correct basis for the public hazard generally, as there are very many conditions affecting this hazard to which neither payroll nor the nature of the operation has any relation as a measure, but this is too much of an undertaking for the purpose of this paper.

All companies should join in a determined effort to keep out of the field of competition every element of payroll juggling or manipulation, and every policyholder seeking to protect his own rights and to secure for himself the best obtainable rate should not tolerate a proposition to manipulate his payroll, and should insist upon the presence of an auditor, with the assurance that not only his payroll but that of all others is subjected to audit, and when this point is reached much will be accomplished in the direction of that standardization of hazards for which the companies profess to be striving. A standard for the physical elements of hazard from a mechanical standpoint will only be developed after long and patient study, during which every point must be tried out, but a payroll standard can be readily reached, and should be at once put into actual practice.



(*Continued from page 142.*)

former United States Assistant Attorney General; President Dolph, of the national association, and James E. Leach, of Boston, will speak.

The following officers of the **Maine Life Underwriters' Association** for 1905 have ben elected: President, A. C. Wescott; first vice president, W. DeC. Moore; second vice president, I. S. Sawyer; secretary, B. G. March; treasurer, J. P. Stevens.

The **Life Underwriters' Association** of North Carolina has elected the following officers: President, Harris R. Wilcox, Mutual Life, Charlotte; vice president, Cary J. Hunter, Union Life, Raleigh; secretary and treasurer, P. D. Gold, Provident Savings.

A certificate was filed this week by the **Washington Life** insurance company, of this city, with the New York Insurance Department at Albany that the company has increased its capital stock from $125,000 to $500,000.

The Iowa Supreme Court holds the **local agent liable** for a loss by a wildcat fire insurance company in the case of Hartman & Daniels vs. D. Hollowell, in which decision was rendered on Wednesday.

A decree reducing the assessment on the policyholders of the **Atlas Mutual insurance company of Boston** from $130,000, as fixed by the auditor's report, to $73,500, was issued by the Supreme Judicial Court of Massachusetts this week.

A majority of the stock of the **Empire City Fire** insurance company has been purchased by President Lindley Murray, which now definitely determines the control of that company.

The **Rudolph Wurlitzer Company** loss at Cincinnati has been adjusted. The sound value of the stock was found to be $149,647, the insurance $123,000, and the loss $89,263.

At a meeting of the policyholders of the **Hand in Hand** Insurance Society of London on Monday the transfer to the Commercial Union was confirmed.

Personal.

AGENCY APPOINTMENTS.

Calumet Fire of Chicago: Adolph Roquet & Co., New Orleans, La., general agents for Louisiana and Mississippi.

Eagle Fire: A. H. Bronson, special agent for New England.

Nassau and North River of New York: J. C. Stovel & Co., of San Francisco, general agents for the Pacific Coast.

National Life of the U. S. A.: W. W. Bristow, State manager for Oregon, with headquarters at Portland; William H. Hendricks, manager for Northern California, with headquarters at San Francisco; F. B. Flanders, manager for Western Washington, with headquarters at Seattle; Crockwell & Cuff, State managers for Idaho, with headquarters at Boise; S. E. Hegge, State manager for Colorado, with headquarters at Denver; F. D. Markham, manager for Eastern Washington, with headquarters at Spokane; Thompson & Booth, managers for Montana, with headquarters at Bozeman; Fred H. Marshall, manager for Arkansas, with headquarters at Little Rock, and Charles E. Cox, manager for Central Tennessee, with headquarters at Nashville.

New Hampshire Fire: D. L. Evans, special agent for Cook County, Ill.

North German Fire of New York: George W. Taylor, of Boston, general agent for New England.

Northwestern Underwriters: L. H. Schweer, special agent for Ohio, Indiana and Michigan.

Northwestern National: Reynolds Barnum, special agent for Ohio and Nebraska, succeeding A. I. Wright, transferred to the home office.

Mr. Charles E. Guild, of Guild & Estman, Boston agents of the Liverpool and London and Globe, died on Wednesday, aged seventy-seven years. He was a Harvard graduate, class of 1846. After serving for many years as president of the American insurance company of Boston he became representative of the Liverpool company just after the Boston fire in January, 1873, and continued the connection to the present time. He leaves a widow, who is a sister of President Eliot, of Harvard University, two daughters and a son, the latter a member of the present firm. For many years he was treasurer of the Protective Department, and was president of the Boston Board of Underwriters in 1890.

Col. Henry E. Russell, who was appointed fire commissioner of Boston by Mayor Curtis in 1896, under the act substituting a single headed for a triple headed commission, died Friday morning at his residence on Commonwealth avenue in that city, after ailing with the grip for several weeks. He brought the Boston fire department to a splendid state of discipline and efficiency, and was indorsed by the leading underwriters of that city. It is understood that Benjamin W. Wells, an active political worker, who has been after the position for some time, will be appointed to succeed him.

Mr. Joseph C. Hilliard, of Boston, died at Washington last week. The deceased was eighty-four years of age, and for many decades represented the Ætna as its special agent in New England. He was born in New Hampshire, and in his early manhood served as treasurer of two of the town mutuals of that State. He was the representative from Exeter in the State Legislature in 1862-3, and gave his native town, Kensington, a handsome library a few years ago. Of commanding presence and lovable disposition, his loss will be keenly felt. Mr. Hilliard died a bachelor.

Mr. Thomas A. Bowden, for twenty-seven years superintendent of rates of the Chicago Underwriters' Association, and for the past three years a member of the firm of Case, Nye, Shepherd & Bowden, of Chicago, died there on Sunday after three days' illness from uremic poisoning. On the same morning Mr. H. Walter Herrick, a member of the Chicago firm of Fred S. James & Co., was found dead in his bed from heart disease. Memorial meetings of the Chicago Underwriters' Association were held in their honor.

Mr. Percy V. Baldwin, who has been manager for Massachusetts and Rhode Island for the Washington Life, has arranged to go with Mr. S. F. Woodman, general agent of the Travelers, as manager of the life department of the Boston agency of that company. He begins his new duties on March 1.

Mr. H. D. Clarke, for many years special agent of the Metropolitan Plate Glass and Casualty Company, and for the past two years or so in charge of the Boston office with Mr. A. P. Folk, general agent for Massachusetts, resigned his position last Monday.

Major Benjamin F. Wright, for many years State agent of the Pacific Mutual Life insurance company at St. Paul, Minn., died there of Bright's disease February 5. He was prominent in Masonic and fraternal circles.

Mr. Charles O. Scull, superintendent of the railroad bond department of the United States Fidelity and Guaranty Company of Baltimore, has been appointed fifth vice president of that company.

Mr. Benjamin Parker, general agent of the Union Central Life insurance company of Cincinnati, Ohio, at Salina, Kan., died in that city of erysipelas on February 8, aged fifty-five years.

Mr. John McDonald, an insurance agent of Evansville, Ind., died there on February 5, aged seventy-three years. His death was caused by blood poisoning, brought on by cutting a corn.

Mr. Charles E. Van Voorhees, of the Hartford Fire, addressed the Fire Insurance Club of Chicago, on the evening of February 14, on "Insurance Accounts and Statistics."

Mr. Aaron W. Jones has been appointed special agent of the New Hampshire Fire in Kentucky and Ohio. He was formerly a local agent at Columbus, Ohio.

Mr. George H. Gould, an insurance agent of Brockton, Mass., and founder of a humane society in that city, died of the grip on February 6, aged sixty-two years.

Mr. Charles Babcock has been elected first vice president of the Bankers Surety Company, succeeding Mr. William P. Johnson, who becomes treasurer.

Hon. Frederick Cook, president of the Rochester German insurance company, died at Rochester, N. Y., yesterday.

Mr. Robert M. Campbell, secretary of the Dominion Fire insurance company of Tazewell, Va., has resigned.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

LITTLE ROCK, Ark., February 9.—Senate Bill No. 15, by Senator Cotham, for the collection of damages and fees on insurance policies, was read first time today in the House. It passed the Senate on February 4.

LITTLE ROCK, Ark., February 11.—House Bill 290, introduced today by Mr. Meade, is to regulate life insurance, and provides that applications shall be attached to the policy. Also that there shall be no rebate. It was read first time.

California.

SACRAMENTO, Cal., February 8.—House Bill No. 746, introduced by Mr. Bates, and referred to the Committee on Insurance and Insurance Laws, regulates the investments of insurance companies of all kinds organized under California laws, and the last section provides that life insurance companies or corporations may loan upon their own policies, provided that the amount so loaned on each policy shall not exceed the reserve against said policy at the time said loan is made.

House Bill No. 508, introduced by Mr. Drew, and referred to the Committee on Revision and Reform of Laws, amends Section 2541 of the Civil Code in reference to mortgages on insured property.

Connecticut.

HARTFORD, Conn., February 10.—The Committee on Capitol Furniture and Grounds reported favorably today a resolution authorizing the Comptroller to insure the Capitol and contents

to an amount not exceeding $1,000,000, and at such a premium rate as he may determine. Several fire insurance agents smiled when they heard the bill was favorably reported. There has never been a fire in the building since it was built, about thirty-two years ago, but a few years ago there was a gas explosion which resulted in a bill of about $6,000 for repairs.

HARTFORD, Conn., February 16.—The Committee on Insurance made a favorable report today on resolutions extending time for the organization of the Travelers Indemnity Company and the Industrial insurance company, of this city. The former is a string which the Travelers insurance company has on hand for use whenever necessary, and the latter is a child of the Ætna Life. Favorable report was also made of the amendment to the charter of the Connecticut Mutual Life insurance company, regrading the election of directors.

On Thursday there will be interesting hearings before the Committee on Insurance on several matters. Senator McGovern, of this city, the chairman of the committee, has a bill which provides that a life insurance policy for the benefit of a married woman or assigned to her in trust shall inure to her benefit independent of her husband or his creditors, except that any premium paid in fraud of creditors shall inure to their benefit.

Representative Pearne, of Middletown, has before the committee a bill which provides that secret and fraternal societies shall not employ agents to solicit business; only for organization of branches or increase of membership.

There is another bill which provides that surety companies before beginning business in Connecticut shall show $250,000 capital for the sole protection of fidelity and surety business. Another bill provides for the disapproval of any fire insurance company having less than $100,000 cash capital. Another bill amends the act regarding the reserve fund of surety companies by requiring the reserve fund for reinsurance to amount to 50 per cent. of the gross premiums received for business in force. The committee is likely to be busy next Thursday, all these matters having been assigned for a hearing that afternoon.

Idaho.

BOISE, Idaho, February 10.—House Bill No. 45, by Mr. Moore, regulates the admission of foreign corporations to the State.

BOISE, Idaho, February 10.—The Committee of the Whole reported on Senate Bill No. 42, regarding uniform fire insurance policies that it do pass. It contains a valued policy clause.

BOISE, Idaho, February 15.—House Bill No. 214 was today introduced, making more stringent the provisions of the law designed to prevent non-resident agents from soliciting without a license.

Indiana.

INDIANAPOLIS, February 13.—The House this afternoon adopted the majority report favoring House Bill No. 2, by Mr. Guirl, and advanced it to engrossment. Manufacturers and foreign mutuals had a big lobby. The bill admits foreign mutuals on the same terms as Indiana companies to do business, providing Indiana companies are admitted in the State from which foreign mutuals come.

INDIANAPOLIS, Ind., February 14.—The House this afternoon defeated Senate Bill No. 74, by Mr. Wood, by a vote of 53 to 35. The bill refers to the admission of foreign companies.

INDIANAPOLIS, Ind., February 17.—The Codification Bill, revising the statutes concerning private corporations, will be reported favorably to both houses tomorrow, Saturday. It admits mutual companies having $20,000 cash assets and $100,000 premium notes. No supervision for them by the Insurance Department is provided for. The bill provides that stock companies shall not have any funds invested in railroad, industrial or other stocks. The existing law regarding life insurance companies to the effect that a seven year presumption of death is provided for the disappearance of a policyholder is reduced to five years, and no premiums are required to be paid in that period.

Kansas.

TOPEKA, Kan., February 10.—The House Insurance Committee today reconsidered House Bill No. 224, lately killed, and recommended it for passage. It is an anti-rebate measure.

TOPEKA, Kan., February 14.—Senate Bill No. 185, creating the office of State fire marshal, was killed in Committee of the Whole. House Bill No. 712, to prohibit fire insurance rebates, was also killed in committee.

TOPEKA, Kan., February 16.—Senate Bill No. 251, requiring the Insurance Commissioner to publish the names of authorized and unauthorized companies, recently killed in the committee of the whole, was today reconsidered and passed.

Maine.

AUGUSTA, Me., February 15.—The Committee on Mercantile Affairs and Insurance will give a hearing on Tuesday, February 21, at 2 o'clock p. m., on "An act to amend paaragraph 7 of Section 4 of Chapter 49 of the Revised Statutes, relating to the time for filing proofs of loss in case of fire." The purpose of this bill is to amend the Maine standard policy so that the assured will be required to file proof of loss "within a reasonable time," instead of "forthwith," as at present.

The committee will at the same time give a hearing on Senate Document No. 47, permitting "individuals" to do a fire insurance business in this State.

The hearing given by the committee on February 14, relating to the "arbitration clause" in the Maine standard policy, was very largely attended and exceedingly interesting from start to finish.

Charles F. Libby, of Portland, a prominent attorney and chairman of the Commissioners for the State of Maine for the Promotion of Uniformity of Legislation in the United States, made an earnest and eloquent plea for the "right of trial by jury." Senator Clark, of Hancock, who introduced the bill, and Horace Purinton, of Waterville, a prominent contractor and builder, spoke in its favor.

Leslie C. Cornish, of Augusta, one of Maine's ablest attorneys, conducted the case for the opponents and introduced George E. Macomber, of Augusta, one of the leading local agents in the State and the special agent of the Granite State Fire, and ex-Representative Maynard S. Bird, of Rockland, who spoke in behalf of the agents. The officers of several local mutual fire insurance companies, many of whom were present, were all opposed to any change in the present standard form.

Representative E. A. Merrill, of Skowhegan, a lawyer and a large property owner, spoke in opposition to the bill, relating his personal experience in adjusting losses under the provisions for arbitration and his belief based on such personal experience that the present law is in the interests of the assured.

Insurance Commissioner Carr also addressed the committee briefly, stating that he believed the present statute was in the interest of the property owners of the State and that the repeal of the arbitration clause would be detrimental to the welfare of the citizens of Maine.

A very large number of letters and petitions from representative business men opposing any change in the present statute have been filed with the committee.

The committee still has the matter under consideration.

Massachusetts.

BOSTON, February 14.—The Committee on Insurance this morning gave a hearing on the petition of W. E. Barrett, of Boston, for a law to require foreign insurance companies in the guaranty and surety business to deposit with the State Treasurer $200,000, the purpose of the deposit being to satisfy legally determinal claims against the companies. Mr. Barrett said that under the present law should a company doing business in this State, but incorporated in another State, refuse to satisfy a judgment action would have to be brought in its home State and a new judgment obtained there. He argued that this was an imposition and that these foreign corporations should be placed on a basis like domestic companies. Clarence F. Eldridge spoke along the same lines.

In opposition appeared Edward A. Whitman, of the United States Fidelity and Guaranty Company; Franklin T. Hammond, of the Title Guaranty and Trust Company; Bertram G. Waters, of the American Bonding Company, of Baltimore; James P. Parker, of the Empire State Surety Company, and T. J. Falvey, of the United States Fidelity and Guaranty Company. They severally said that there was no need of such a law; that all the companies had deposits in their home States; that no judgment secured had ever been refused payment; that persons were now amply protected by law, and that if a company refused payment of a just claim they could be expelled by the Insurance Commissioner.

BOSTON, Mass., February 16.—In the House this afternoon the Committee on Insurance reported leave to withdraw on the petition (with House Bill No. 255) of Edward C. Creed that the surrender value of any life insurance policy may be payable on any hour of any legal business day, instead of upon the anniversary of the date of the policy.

The same committee reported leave to withdraw on the petition (with House Bill No. 175) of Simon Swig for a law to prevent insuring real or personal property for more than its assessed value.

The Insurance Committee reported in the Senate this afternoon leave to withdraw on the petition (with Senate Bill No. 101) of Thomas J. Collins that the surrender value of a paid up life policy may be collected at any time.

Minnesota.

ST. PAUL, February 10.—Senator Calhoun today introduced Senate Bill No. 131, a copy of House Bill No. 101, by Mr. Roberts, to allow Lloyds to write sprinklered risks, and it was referred to the Committee on Judiciary.

ST. PAUL, February 10.—In the House Representative Ware today offered the following resolution:

Whereas, There has been much complaint throughout the State that the existing rates charged by fire insurance companies are exorbitant, and whereas in many instances such complaint seems to be justified; now therefore

Be it resolved, That the Speaker of this House appoint a committee of five members to investigate the rates now existing for fire insurance in this State for the purpose of ascertaining whether or not the same are exorbitant, and to make a full and complete report of such investigations, with such recommendations to this Legislature as may be deemed proper.

Be it further resolved, That such committee be and the same is hereby authorized and empowered to compel the attendance of any person or persons to testify before the committee, and to require the production of any necessary writing, papers, books or records, and whenever any testimony is taken or records examined the chairman of such committee is hereby authorized and empowered to administer oaths, and to require the service and attendance of one stenographer and one clerk of the regular force of stenographers and clerks now in the employ of the Legislature.

Speaker Clague has since appointed the following committee to investigate fire insurance rates under the Ware resolution: Representatives Ware, Northfield, Bardwell, of Minneapolis; Rosenthal, of St. Paul; Rockne, Zumbrota and Carl, of Clara City.

ST. PAUL, Minn., February 15.—A provision has been discovered in the proposed Statute Revision Code which requires a 2 per cent. tax on all premiums received by insurance companies instead of on premiums in this State.

Mr. Rockne has introduced House Bill No. 256, to amend the act for the regulation of life insurance companies on the fixed premium plan. It refers to the organization of local companies only.

Missouri.

JEFFERSON CITY, Mo., February 13.—The Senate and House committees reported favorably on the bills to do away with the 2 per cent. tax on reinsured fire business in this State. The Insurance Department is supporting these bills.

In the House today Bill No. 587 was introduced and the same bill was also introduced in the Senate—to prevent any but fraternal life insurance orders from doing an assessment business in the State.

Mr. Keenoy has introduced House Bill No. 583, for a fire marshal law.

Mr. Spangler has introduced House Bill No. 593, which is an anti-rebate bill.

JEFFERSON CITY, Mo., February 17.—House Bill No. 376, to repeal the valued policy law, was killed today. House Bill No. 375, to repeal the anti-coinsurance law, was favorably reported. Both bills are by Mr. Richardson.

Montana.

HELENA, Mon., February 12.—Mr. Lanstrum has introduced a bill to repeal Section 681 of the Civil Code, relating to the taxation of premiums of insurance companies. It affects old line life insurance companies.

Nevada.

CARSON, Nev., February 10.—Senate Bill No. 12, by Mr. Roff, taxing insurance companies 1 per cent. on Nevada business, has been tabled. This is the last that will be heard of it.

New Hampshire.

CONCORD N. H., February 10.—The House of Representatives Committee on Insurance voted today to recommend that it is inexpedient to legislate on House Bill No. 210, relating to the examination of foreign insurance companies.

The committee voted to introduce and recommend the passage of a bill allowing "brokerage."

MANCHESTER, N. H., February 11.—The House committee has reported a number of insurance measures as follows:

An act to prohibit the sale of deceptive life insurance. Inexpedient to legislate. An act relating to the appointment of life insurance agents. Inexpedient to legislate. An act relating to the distribution of surplus by insurance companies. Inexpedient to legislate. An act relating to investments in the State of life insurance companies. Inexpedient to legislate.

CONCORD, N. H., February 14.—House Bill No. 363, introduced by the Insurance Committee, provides, that the Insurance Commissioner may license suitable persons to place fire insurance risks with the agents of licensed foreign insurance companies on the payment of a fee of $10, said license to expire on the first day of April next after its issue.

Any agent of such foreign insurance companies whose license fees as such agent amount to $10 may transact the business of broker without additional payment; any such agent whose license fees so paid are less than $10 may be so licensed on the payment of such sums as with the fees already paid will amount to $10. Companies issuing policies through their agents on applications from brokers shall be charged with the broker's knowledge of facts to the same extent as if he were their agent.

CONCORD, N. H., February 15.—The House passed today the bill introduced by the Insurance Committee, to authorize the appointment of brokerage agents.

CONCORD, N. H., February 16.—Upon the recommendation of the House Insurance Committee the Legislature today killed House Bill No. 207, introduced by Mr. Foster, of Milford, and House Bill No. 311, introduced by Mr. Couch, of Manchester, both in relation to industrial insurance.

New Jersey.

TRENTON, N. J., February 15.—Senate Bill No. 77, introduced February 14, by Mr. McKee, and referred to the Committee on Banks and Insurance, prohibits the use of the co-insurance clause.

New Mexico.

SANTA FE, N. M., February 9.—Today was introduced House Bill No. 73, by Mr. Sanchese, to establish an Insurance Department and to regulate insurance in New Mexico. The bill provides for a Territorial Insurance Department, under supervision of an Insurance Commissioner, to be appointed by the Governor, and who shall give bond for $20,000, and shall receive a salary of $2,400 per annum. It provides for a strict supervision of insurance in New Mexico. Every insurance company is required to pay to the department annually 2 per cent. of the premiums collected in the Territory. It also establishes a system of fees for filing articles of incorporation, power of attorney, certificates, &c. The maximum fee to be $50. Under the bill no fire insurance company which has a paid up capital of less than $200,000, nor any life insurance company having a paid up capital of less than $100,000, shall be permitted to do business in the Territory. The fraternal associations shall not be affected by this act except that they must file an annual statement. If they pay death or accident benefits, the fee for filing such statement to be $5. The bill was immediately railroaded through by the House and will receive the signature of the Governor tomorrow.

SANTA FE, N. M., February 10.—Governor Otero today signed the bill creating a Territorial Insurance Department, a Territorial commission and taxing every kind of insurance company 2 per cent. on its premiums collected in the Territory.

New York.

ALBANY, N. Y., February 10.—Assemblyman O'Neill today introduced House Bill No. 538, amending Section 83 so as to require domestic life insurance corporations to distribute among policyholders annually or at stated periods the proportion of surplus accruing to each.

ALBANY, N. Y., February 16.—Senator Ambler today introduced Bill No. 392, amending Section 52, allowing amendment of charters by the insertion therein of any powers which at the time of amendment may have been conferred by the law upon domestic insurance corporations engaged in the business of the same general character, or which might be included in the charter of a domestic insurance company organized under any general law for business of the same general nature.

Senator Ambler also introduced Bill No. 393, amending Section 200 so as to prohibit the formation of life and casualty corporations on the co-operative or assessment plan after June 1, 1905.

ALBANY, N. Y., February 17.—Apart from the introduction of several insurance bills, the session of the Legislature this week has been exceedingly quiet from an insurance point of view. No insurance measures were on the calendar of either house and only one was reported by either committee—Assemblyman Palmer's Schoharie-Schenectady Mutual Fire Association bill, by the Assembly committee.

ALBANY, N. Y., February 17.—Assemblyman Lewis today introduced House Bill No. 634, relating to charters of domestic insurance companies. This is the same bill that was introduced yesterday in the Senate by Mr. Ambler (Senate Bill No. 392).

He also introduced House Bill No. 635, to prohibit life and casualty corporations on the co-operative or assessment plan, which is also the same as that introduced by Senator Ambler (No. 393) yesterday.

North Carolina.

RALEIGH, N. C., February 13.—The Legislature has so far had a remarkably small number of insurance bills before it, and only one of these has become a law, this being Senate Bill No. 285 (House Bill 501), to amend Chapter 485, Public Laws 1903, for the better protection and regulation of the business of fire insurance and to increase the public revenues.

Senate Bill No. 341, by Mr. Mason, of Gaston, proposes to amend Chapter 700, Public Laws 1901, in regard to insurance on public buildings, by adding to Section 2 of that act that the Insurance Commissioner shall place insurance on such buildings, not including those of the penitentiary and Agricultural Department, to such an amount that the annual premium shall not exceed $10,000 annually.

RALEIGH, N. C., February 15.—In the Senate today Senate Bill No. 153, in relation to fire escapes, was favorably reported and passed with an amendment providing that it shall take effect September 1, next. Senate Bill No. 34, regarding insurance on State property, was also reported favorably and passed. Senate Bill No. 407, proposing the repeal of the law against rebates, was unfavorably reported and was tabled. Senate Bill No. 274, regarding amendments to the law to prevent fire waste, was favorably reported. Senate Bill No. 407 had at its back only a few agents, the majority of them opposing it. Its passage would have repealed the section of the insurance law which prohibits cutting commissions.

Oklahoma.

GUTHRIE, Okla., February 10.—Representative Robinson, of Greer County, today introduced a measure requiring holders of fire insurance policies in all incorporated towns to file the same with the town or city clerk, for public record, with the object of preventing incendiarism.

Oregon.

SALEM, Ore., February 13.—The Capron bill (House Bill 264), to prevent discrimination in making insurance contracts, failed to pass.

SALEM, Ore., February 15.—The Capron bill, House Bill No. 98, to prohibit combinations and agreements between fire insurance companies, failed to pass. No insurance legislation is probable at this session.

SALEM, Ore., February 15.—Senate Bill No. 188, by Mr. Pierce, providing for the annual publication of statements by insurance companies, was indefinitely postponed.

Washington.

OLYMPIA, Wash., February 10.—Senate Bill No. 4, by Mr. Tucker, of King County, which created a firemen's relief and pension fund through the diversion of 2 per cent. of all premiums on fire insurance collected in this State to that purpose, was killed in the House yesterday, but reconsidered this afternoon and sent to the Judiciary Committee for minor amendments. These amendments will relieve the State of any burden. House Bill No. 22, by Mr. Lindsley, forbidding the granting of rebates by any insurance company, was killed in the House today.

Wisconsin.

MADISON, Wis., February 11.—House Bill No. 433, by Mr. Henry, was introduced today, amending the valued policy law, which is not to apply to policies when the fire originated on premises covered by the policy. Excess premiums are to be returned.

House Bill No. 445, by Mr. Crowley, provides that upon complaint, the coroner shall investigate fires and summon juries as he does in case of inquests. If the jury finds a person guilty the coroner certifies that fact to the district attorney, who must prosecute; the expense of investigation is to be paid by the county, unless the party accused is not found guilty. Then the complainant is to pay the expense.

Senate Bill No. 304, by Mr. Hudnall, is to amend Section 1220. Life companies organized outside the State of Wisconsin are to pay an annual license fee of 2 per centum on all premium receipts on policies written in, or on, lives of residents; such license fee to be in lieu of all retaliatory and other fees and taxes except real estate, filing fees and agents' licenses.

Senate Bill No. 305, by Mr. Hudnall, is to amend Section 1219, so that fire insurance companies shall pay a tax of 3 percentum on gross premiums received, less cancellations reinsurance and losses.

House Bill No. 434, by Mr. Dahl, provides that every domestic and foreign life insurance company shall report to the State Board of Assessments, giving the number, date and class of policies held by residents of this State. The age of the assured life and the aggregate value of each group requiring a separate computation to determine net value, and the combined aggregate shall, on August 1, pay a license fee of three-fourths of 1 per centum upon the net value of all policies.

MADISON, Wis., February 11.—Senate Bill No. 145, introduced by Senator Roehr, referred to the Committee on Banks and Insurance, is a bill to regulate the consolidation and reinsurance of domestic insurance companies transacting the business of life, accident or health insurance.

MADISON, Wis., February 11.—Senate Bill No. 114, introduced by Mr. Randolph and referred to the Committee on Banks and Insurance, provides that every life insurance company licensed to transact the business of life insurance in this State on the mutual plan, shall make an annual statement in writing to each and every individual holder of a policy contracted in this State, and such statement shall show the amount of accumulations on his policy or policies, and which shall be his equitable portion of the accumulated surplus for such year, and every such policyholder shall have the absolute right to accept such accumulation in cash or use the same in reduction of his premium, or may purchase additional insurance therewith according to the standard adopted by the company, association or corporation.

House Bill No. 286, by Mr. Bohri, is to amend Section 1,976, statutes of 1898, authorizing any district attorney to cite the agent violating the section to appear before him on three days' notice, the district attorney to prosecute if he finds the agent guilty.

MADISON, Wis., February 14.—Senate bills Nos. 407 and 408, by Mr. Munson, provide that fire risks be approved and countersigned by an individual as resident agent.

Senate Bill No. 361, by Mr. Hunnall, provides that casualty and surety companies shall pay 2 per cent. on premium receipts on all policies or contracts which have been written in or on the lives of residents or on property in this State.

Assembly Bill No. 459, by Mr. Tarrell, amends Chapter 232 of the Laws of 1901, and provides for the admission of foreign reinsurance companies, and that they pay the same fees and taxes as fire insurance companies.

Assembly Bill No. 545, by Mr. Crowley, provides for writing surplus fire insurance lines, the agents to furnish bonds and pay a tax to the State the same as authorized companies; also the fire department tax, the license fee of $50, with bond to be furnished for $2,000. The bill repeals Chapter 394 of the Laws of 1903, which permitted licensed companies to reinsure in unauthorized companies.

Assembly Bill No. 607, by Mr. Bletcher, relates to trust, annuity and guaranty companies and provides for the regulation and supervision thereof.

Senate Bill No. 454, by Mr. Rogers, regulates license fees to be paid by life insurance companies, corporations and associations.

Senate Bill No. 453, by Mr. Rogers, regulates license fees to be paid by fire insurance companies.

The last two bills will exempt fire and life insurance companies paying license fees or taxes to the State. They affect Wisconsin companies only and their property is to be assessed the same as other property. It is estimated that if the bills be enacted into law, instead of the State receiving nearly $300,000 from the Northwestern Mutual Life insurance company of Milwaukee, the city of Milwaukee will collect from the company $1,200,000, of which amount there will be turned over to the State about $380,000. The six stock fire companies in Milwaukee, it is expected, will under these laws be taxed accordingly.

Miscellany.

Annual Meeting of the Directors of the Equitable Life Assurance Society—A Plan Looking to the Mutualization of the Company Adopted.

The annual meeting of the directors of the Equitable Life Assurance Society took place on Friday of this week, and officers were elected for the ensuing year. A week prior to the meeting the following petition to the directors was circulated and received the signatures which appear appended thereto:

To the Board of Directors of the Equitable Life Assurance Society of the United States:

The undersigned officers of the Equitable Life Assurance Society deem it their duty to acquaint the board of directors with their views and opinion regarding the future management of the affairs of the society, the conservation of its business, and the due administration and protection of the trust funds in its charge.

When the society was organized, in 1859, the charter expressly provided that its insurance business should be conducted upon the mutual plan, that its capital stock should be $100,000, divided into 1,000 shares of the par value of $100 each, that the dividends on such stock should be limited to 7 per cent. per annum and that all net earnings and receipts above the dividends should be accumulated. The charter also provided that the corporate powers of the society should be vested in the board of directors, and that such board should consist of fifty-two persons, each of whom was to be the proprietor of at least five shares of the capital stock. The charter further provided as follows:

"In the election of directors, every stockholder in the company shall be entitled to one vote for every share of stock held by him, and such vote may be given in person or by proxy. At any

time hereafter, the board of directors, after giving notice at the two previous stated meetings, may, by a vote of three-fourths of all the directors, provide that each life policyholder, who shall be insured in not less than $5,000, shall be entitled to one vote at the annual election of directors, but such vote shall be given personally and not by proxy."

The power thus expressly granted to the board of directors to confer upon their policyholders a voice in the selection of directors has never been exercised by the board, and the selection of the directors, with the consequent control and management of the business and funds of the society, has continued until the present time to be solely in the hands of the holders of its stock.

The number of the policyholders and beneficiaries now exceeds 500,000, and the accumulations held by the society for their benefit and the protection of their families now amount to over $410,000,000. The investment and conservation of this vast fund are obviously a trust of the highest character. The laws and policy of every State of the Union and of every foreign country in which we do business require and enjoin the utmost conservatism in the management of such an institution.

From our practical experience in the conduct of the society's business, we have become convinced that its continued welfare and progress and the due administration and protection of the trust funds in its charge render a change necessary, and that it is incompatible with present public opinion, as well as with the interest of the society and its beneficiaries, that the policyholders, as the real parties in interest, should continue to be without any voice in the administration of these funds, but that the entire power of selecting directors should be vested in and exercised solely by the holder for the time being of the majority of the society's nominal capital stock.

Under the circumstances, we have consulted counsel as to our duty as officers of the society and as to your powers as directors, and we are advised by them, as will appear from a copy of their opinion, which we submit herewith, as follows:

First—That it is our duty to acquaint the board of directors with our views and judgment and to urge the recommendations which we now submit.

Second—That, under the charter, there is full power vested in the board of directors to confer voting power upon the class of policyholders mentioned above.

We therefore earnestly recommend that the board of directors take the necessary action so as to provide that each policyholder, insured in not less than $5,000, shall be entitled to one vote at the annual election of directors, and that the necessary legal steps be taken to secure power to further provide for the extension of this voting right to all classes of beneficiaries.

All of which is respectfully submitted.
NEW YORK, February 2, 1905.

JAMES W. ALEXANDER, President.
GAGE E. TARBELL, Second Vice President.
GEORGE T. WILSON, Third Vice President.
WILLIAM ALEXANDER, Secretary.
JOEL G. VAN CISE Actuary.
THOMAS D. JORDAN, Comptroller.
R. G. HANN, Associate Actuary.
M. MURRAY, Cashier.
FRANCIS W. JACKSON, Auditor.
A. W. MAINE, Associate Auditor.
H. R. COURSEN, Assistant Auditor.
S. C. BOLLING, Superintendent of Agencies.
H. H. KNOWLES, Supervisor of Agencies.
W. E. TAYLOR, Supervisor of Agencies.
HENRY L. ROSENFELD, Supervisor of Agencies.
ROBERT J. MIX, Supervisor of Agencies.
WALTER E. JOHNSON, Inspector of Agencies.
W. NELSON EDELSTEN, Superintendent Agency Bureau.
GERALD R. BROWN, Superintendent Bond and Mortgage Department.
S. S. M'CURDY, Assistant Registrar.
WILLIAM E. JOHNSON, Mortuary Registrar.
THEODORE C. CASKIN, Commissioner.
SAMUEL FROST, Recorder.
EDW. H. KING, Superintendent Department of Medical Statistics.
G. F. BROPHY, Superintendent Loan Department.
CHARLES F. ENSLEE, City Clerk.
GEORGE L. BARRETT, Superintendent Application Department.
MAXWELL H. ALLEN, General Manager Inspection Department.
W. R. BROSS, Medical Director.
ARTHUR PELL, Medical Director.
JOHN WARREN, M. D., Assistant Medical Director.
THOMAS H. ROCKWELL, M. D., Assistant Medical Director.
FRANKLIN C. WELLS, M. D., Assistant Medical Director.
JOHN GILCHRIST, Superintendent Security Department.
A. A. SPRINGMEYER.
J. C. ROQUET.
E. F. EDWARDS.

Another petition to the directors was also circulated, making certain objections to the re-election of James H. Hyde as vice president, to which the same names, except those of Messrs. F. F. Edwards, Theo. C. Caskin, commissioner, and Henry N. Rosenfeld, supervisor of agencies, were appended, but it contained the following names which were not subscribed to the preceding petition: E. Van Riper, O. W. Kleppe, R. Henderson, P. M. Pendreigh, I. S. Douglass and C. N. Jones, all employees of the company at the home office.

A very full meeting of the fifty-two directors of the company was had, the absentees being James J. Hill, Levi P. Morton, S. William Van Horne, of Montreal; David Moffat, of Colorado, and Mr. Haarstick, of St. Louis, who were not in the city, and one or two others. The principal business besides the election of officers was the consideration of the petitions, and it is understood that the discussion between the members who favored the petition and the friends of Mr. Hyde was very long and warm, and also that Mr. Hyde's control of a majority of the board was evident. The discussion, however, resulted in the adoption of a compromise, which was embodied in the following official statement which was given to the press after the meeting:

At a meeting of the board of directors of the Equitable Life Assurance Society of the United States, held at its office, No. 120 Broadway, at 2 p. m., February 16, 1905, the following resolutions were unanimously adopted:

Resolved, That, in the opinion of the board, the policyholders should be given the right to vote for directors, and that steps be taken for carrying this principle into effect at the earliest possible moment.

Resolved, That Valentine P. Snyder, James W. Alexander, James H. Hyde, Gage E. Tarbell, Cornelius N. Bliss, T. DeWitt Cuyler and Chauncey M. Depew be appointed a committee to arrange the details for carrying the step into execution, and in connection therewith the settlement of the allied question of indemnification of stockholders and report to the board at a meeting, to be called by the chairman for the purpose, at the request of the committee, not later, however, than Wednesday, April 12, 1905.

The board also re-elected all its officers, to wit: James W. Alexander, president; James H. Hyde, vice president; Gage E. Tarbell, second vice president; George T. Wilson, third vice president; William H. McIntyre, fourth vice president; William Alexander, secretary; H. R. Winthrop, assistant secretary; J. G. Van Cise, actuary; Thomas D. Jordan, comptroller; S. D. Ripley, treasurer; W. B. Bremner, assistant treasurer; F. W. Jackson, auditor; S. C. Bolling, superintendent of agencies, and W. R. Bross, M. D., and Arthur Pell, M. D., medical directors.

The following executive committee was elected; James H. Hyde, chairman; James W. Alexander, Gage E. Tarbell, George T. Wilson, W. H. McIntyre, William A. Wheelock, Chauncey M. Depew, V. P. Snyder, H. C. Deming, A. W. Krech, H. C. Frick and Thomas D. Jordan.

The following finance committee was also elected: James H. Hyde, chairman; James W. Alexander, Gage E. Tarbell, George T. Wilson, William H. McIntyre, W. A. Wheelock, Chauncey M. Depew, H. C. Deming, A. W. Krech, H. C. Frick, T. D. Jordan and Jacob H. Schiff.

After the meeting Mr. Hyde was interviewed and said: "We have settled all differences and healed all wounds. Every one of us, from my superior, Mr. Alexander, down to the humblest subordinate in the society, is now pulling together. We are in complete accord."

When Mr. Jacob H. Schiff, one of the directors reputed to be in accord with Mr. Hyde, left the directors' room after the meeting, he said in answer to inquiries: "Everything is now harmonious. The mutualization plan will go through, but in a modified form. Mr. Alexander and Mr. Hyde and all the

rest of the old officers of the society have been re-elected and the trouble is at an end."

President Alexander declined to make a statement.

It was reported that both Mr. Alexander and Mr. Hyde were elected without opposition, as a result of the agreement above entered into.

Arkansas Business Men Preparing to Leave the State if Fire Insurance Is Withdrawn.

(The Little Rock Gazette, February 9.)

Wholesale men and merchants are thoroughly aroused concerning the withdrawal of the old line fire insurance companies on March 1 because of the anti-trust bill, and the subject is receiving the attention of every firm of any magnitude in the city. While the majority do not state positively that they will leave the State if the insurance companies quit business, they say without qualification that they cannot afford to risk their earnings of a lifetime in such a manner as would be the case should they be unable to secure insurance after March 1.

Letters have been sent by many to insurance companies outside the State in the hope of ascertaining whether it is not possible to secure insurance from other sources than from the old line fire insurance companies. In case this is impossible the wholesale firms and manufacturers are practically a unit on the proposition of quitting the State. The manufacturers claim that they are in the same boat with the wholesalers and the retail merchants, and cannot afford to take the risks necessary without insurance. It is estimated there is $35,960,640 invested in manufacturing establishments in the State, and this sum alone, it is stated, is much too large to be handled by all the mutual and local fire insurance companies of the State combined. The manufacturers voice the same story as told by the wholesalers, and predict that unless insurance can be secured thousands of men will be thrown out of employment in the State by closing down the factories.

C. Voss, of the Voss-Barbee Manufacturing Company: "We cannot, and I think no other manufacturing firm can, afford to carry its own insurance. Should the old line fire insurance companies leave the State March 1, the first effort of this firm would be to secure insurance from without the State. If we failed in this, there would be but one alternative, and that would be to close up our plant and get out of the State, where we might have protection. The mutual and local fire insurance companies of this State are not strong enough to handle even a small portion of the risks necessary if the old line companies leave the State, and in case there is no way to get insurance from without the State we can do nothing but quit business in Arkansas. The closing down of the factories of Arkansas alone would throw thousands of men out of employment. The 1900 census shows that $35,000,000 is invested in manufactories alone in this State, and all the mutual and local companies combined could not begin to handle that amount of business. even if there were not the risks on wholesale, retail and other businesses. No, if there is no insurance to be secured, we can do nothing except leave the State, and other factories and manufacturing firms are in the same predicament."

W. B. Plunkett, of the Plunkett-Jarrell Grocery Company, said: "We are well protected at the present time and for some time to come, and are not worrying about the outcome, although we shall be in the same boat with other firms in a few months. Of course, if the old line insurance companies leave the State March 1, we shall at once begin casting about to see what chance we have to renew our insurance policies when they fall due. Our first effort would be to secure insurance from companies outside the State. It is the intention to remain in Little Rock permanently, and we should dislike to have to close up shop here. In fact, we are not contemplating any such a move, but if it should become impossible to secure insurance there would be but one move left for us. We cannot afford and neither can any other business man afford to jeopardize his all. Without insurance one might return to his place of business some morning to find that the earnings of a lifetime have been wiped out by fire. The risk would be too great. We shall get insurance outside the State, if possible, if the old line companies leave the State. If that is impossible, we shall decide later, when the time comes, what action shall be taken."

F. B. T. Hollenberg, president of the Hollenberg Music Company: "My position is not quite the same as that of most of the other merchants of Little Rock. Our company has headquarters in Chicago, and we can, therefore, secure insurance there, with full protection under the laws of Illinois. However, I would much prefer to secure my insurance, both on the property of the company and upon my own property in Little Rock. In fact, I would rather pay 25 per cent. more and get my insurance here than go to Chicago and get it at lower rates, as it would be much more satisfactory. I would be willing to pay the higher rate simply to keep the companies here, for the closing of the insurance offices means a loss to the merchants of the city of a large part of the money now paid in salaries to the employees of the various companies. There will undoubtedly be a large number of mutual and stock companies organized here, but, while I know that these companies would be absolutely honest and would live up to their agreements as strictly as possible, they cannot handle the business. In case of a big fire in Little Rock all of these companies would be crushed out of existence. This was illustrated in the case of the Baltimore fire, which drove every local company to the wall, and none of them could pay more than 50 cents on the dollar. It is not a question of honesty, for I know they would be honest, but it is simply that they could not handle all the business."

Claudius Jones, of the Jones House Furnishing Company: "I expect to cancel all my policies and reinsure for another year before March 1, and if at the end of the year we cannot get insurance here we will have to go outside the State. I was in Chicago at the time the anti-trust bill passed, and I investigated the possibility of getting insurance there. I was informed that we could probably insure there, although the matter had not been investigated. Of course, we cannot remain in business without insurance. and we must get it somewhere."

Ed Cornish, of Simpson, Webb & Cornish: "We are not anticipating much difficulty in securing insurance, as we believe enough of the companies will remain in the State to handle the business, or that the companies will make some arrangement by which the business can be handled. However, we may take the precaution to cancel our policies and reinsure for another year before March 1."

(The Little Rock Gazette, February 10.)

Many of the city's wholesalers, retailers and manufacturers are of the opinion that they will be able in some manner to get fire insurance for their goods and buildings, even should the old line fire insurance companies leave the State March 1. They are moving in the matter and requests are being made of the insurance companies as to the probable result in case such an action should be taken. All agree that they could not remain in business here if they were unable to get insurance, and express the belief that if insurance cannot be secured the result would work a hardship on the farmers, business men and workmen of the State instead of upon the insurance companies.

The insurance companies as a rule have renewed their policies for another year with all the wholesalers and manufacturers, and this leads those interested to believe they will be protected in some manner, even if the insurance companies do leave the State. They are of the opinion that the insurance companies will complete some arrangements to protect the business handled by each in the State, and even if some of the companies do leave, those which remain will be enabled to handle the business of the others. It has been learned that at least two or three of the old line companies intend to remain, and the wholesalers and merchants believe that these old companies will arrange with the others which do leave to handle all the business in the State.

Practically all the manufacturers are of the opinion that the leaving of the insurance companies and the inability to get insurance, if it should come to that, will result in the closing of factories and the discharge of a number of workingmen, and this condition alone, they argue, would work a great hardship. They claim that if they are unable to get insurance it will mean removal from the State, and this, they say, would mean an advance in prices of all commodities, owing to the extra freight rates charged on finished products. The unfinished product, they claim, can be brought into the State and manufactured into the finished product and sold at a much lower price than if the finished product is shipped here after being turned out of factories in other States.

In answer to the question as to what they would do if the old line fire insurance companies left the State March 1 and they were unable to get insurance, the men seen yesterday replied as follows:

Edmond Craig, implements, seeds and farm machinery: "In

answering that question, I can state only that if such a condition should exist it would be my first move to diminish my stock to such an extent that I would be able to protect myself and my creditors. In such a contingency I would have to keep a stock large enough for my Arkansas trade, but I should place most of this in the establishment of my brother at Memphis. From that point I would be able to cover my territory and handle my trade, but the change would work a hardship upon the farmers of the State, who have been my customers for years. The additional freight rates would increase the prices on the stock sold to farmers and the result would be their loss and not loss to the insurance companies or other corporations. But I do not anticipate any such condition. I believe I can secure insurance that will protect me and my creditors, even if some of the companies are driven from the State."

J. T. Beal, president of Beal & Doyle, wholesale dry goods: "I don't anticipate any such condition. Two years ago we did all we could to defeat the bill, and this year we believed it should be killed. It is now a law, and the condition will be before us soon, but I believe we shall be able to get insurance. Of course, neither we, nor any other business firm, can operate without insurance. We never anticipate any loss, but we cannot take the chance. I believe some plan will be formed by the insurance companies whereby they can protect their business in this State. We would much prefer to insure with our friends, with those who know us and whom we know, because we feel that if a loss should come we would fare better at their hands, but if they must leave the State we shall insure with any others which may be left, providing we can be protected. All the companies are not going to leave, and we expect to be able to care for ourselves. We believe the insurance companies will arrange to carry the business here even if they do leave the State. Our policies have been renewed for another year, and we are protected for that length of time at least."

E. C. Wehrfritz, machinery and tools: "My policies have been renewed and are paid for another year. I have given the matter little consideration, because with my policies paid it is up to the insurance companies to give me protection. I do not expect any trouble. I think the companies will arrange to care for their business here even if they are not allowed to operate here."

S. J. Beauchamp, Arkansas Carpet and Furniture Company: "We are not worrying over the situation, as we are in a position, with our outside connection, to get our insurance outside the State, if necessary, and be as fully protected as at present. The people who will suffer by the withdrawal of the old line companies, in my estimation, are the small property owners, those who want a few hundred dollars insurance on their houses or their household belongings. In such cases the amount is so small that it would be impracticable to go outside the State for insurance."

SARCASM FROM THE LITTLE ROCK GAZETTE.

The Little Rock *Gazette* of February 12 has the following editorial reference to the Logan-King anti-trust bill:

During the debate in the Senate on the bill to appropriate $5,000 to aid in the enforcement of the Logan-King anti-trust act, Senator Holland "explained that the present law aims at trusts which have their habitat outside of the State, and in order to secure proof against any trust doing business in the State evidence from other States, even from foreign countries, will have to be procured, and this can only be done through the taking of depositions, the cost of which this appropriation is intended to defray, in part."

If depositions from other States and other countries are necessary to the successful enforcement of the anti-trust act, of course we must get those depositions, or the anti-trust act might as well have not been passed.

If this $5,000 appropriation were made we take it—we mean we take it that Attorney General Rogers would take it—and engage some member of the Arkansas Bar Association to start forth on a search for anti-trust evidence in this State or elsewhere. Has a suit been brought against the insurance trust? Our deposition deputy boards the train, say, for New York. Will the proud people of Arkansas consent to their legal representative stopping at anything short of the Waldorf-Astoria or the St. Regis? That's where the trust magnates stop. Our representative could save subway fare by putting up at the same hotel with the trust men even if he had to put up the $5,000 or some considerable part thereof to meet the expense. And after our deposition deputy had had some insurance magnate on the interrogatory rack for a day we submit that it would be only common courtesy for the State of Arkansas to stand the expense of a couple of highballs, even if they did cost more than they cost in Osceola. In fact, we fear that if only a couple of highballs were bought the insurance magnate would think the courtesy of the State of Arkansas was very common.

After getting evidence in New York our legal Jason would board an Atlantic liner and sail for Liverpool, where there are a number of insurance companies subject to suspicion as having entered into a pool, trust, agreement, combination, confederation or understanding to fix or regulate the price or premium to be charged for insurance in this State or elsewhere. Here our legal representative would take more depositions and possibly more highballs. Now, we don't mean that the Arkansas lawyer who might be deputed to do this arduous work would necessarily be a man to injure his eyesight by protracted looking on the highball in its state of altitudinous sphericity—in this State or elsewhere. But the etiquette of bibulous intercourse is very strict in England and on the Continent, and the representative of the State of Arkansas might, by refusing to indulge, throw difficulties in his own way and cause the tongue of the insurance magnate he wanted to question to cleave to the roof of his mouth so tight that you would have to take a cleaver and go up on the roof to uncleave it.

Next the hunt for evidence would be prosecuted through the provincial cities of England and then through Scotland. We suggest an automobile tour. The roads are good and the scenery fine. The representative of the State of Arkansas would really enjoy it.

Then across the English Channel for depositions in Europe, where there are several insurance companies that do business in Arkansas. These companies might have entered into a pool, trust, agreement, combination, confederation or understanding to fix and regulate the price or premium to be paid for insuring against the loss by fire, lightning, storm, cyclone or tornado property in Vladivostock, and so it follows by the simplest sort of reasoning that they should not be allowed to do business in Arkansas.

True, it might be said with reference to this grand tour for anti-trust evidence that, considering he would be serving a State where Jeffersonian simplicity prevails, our deposition deputy were rather altivolant, but surely none will seriously contend about such a quibble. So, let the Legislature promptly appropriate the money. The Attorney General must have the means to enforce the Logan-King anti-trust act. Thrice is he armed that, when he hath a quarrel, also hath $5,000 with which to secure depositions and pay court costs.

Jesse L. Rogers still at it.

Despite the fact that Jesse L. Rogers, the notorious "wildcat" operator, is at present under bail on two separate indictments for fraudulent use of the mails, that injunctions have been secured against the "Phœnix Underwriters, "Moyer & Co.," "The Hartford Fire insurance company," of Indian Territory, and others of his questionable concerns, he is at present flooding the mails with circulars of a new territorial incorporation, for which he recently secured a charter under the name of the "Hartford Fire Assurance Company. Executive offices, Hartford Building, Seventeenth street and Broadway, New York. Incorporated under the laws of Congress for I. T." A subscriber of THE WEEKLY UNDERWRITER has sent us the following circular matter, typographically very much "displayed," which emanated from the "executive offices" last week:

NOT IN THE TRUST.

THE HARTFORD FIRE ASSURANCE COMPANY

Offers to the public a limited amount of its capital stock of $1,500,000 for public subscription. No preferred stock, and the company free from all claims.

This company is incorporated under the laws of Congress for the Indian Territory, and does a general insurance business.

Not a speculation, but a dividend paying investment. The statistics show that insurance stocks pay an annual dividend from 30 per cent. down.

Agents and brokers wanted everywhere to sell our stock, on which we allow a liberal commission. No one will be allowed to subscribe for more than two hundred shares ($5,000) or less than four shares ($100) of our stock.

THE HARTFORD FIRE ASSURANCE COMPANY.

ROBT. C. CLAIBORNE, Vice President and General Manager.

Executive Offices:

Hartford Building, 17th Street and Broadway, New York City.

OFFICERS AND DIRECTORS.

Its officers and directors are men of standing and responsibility, and the aim of its management is to so conduct its affairs that the greatest good may result to its policyholders and to those who hold its stock. Its officers and directors court the strictest investigation as to their standing and honesty.

OFFICERS.

ADOLPH WAECHTER, President.
ROBT. C. CLAIBORNE, Vice President and General Manager.
L. J. ROACH, Secretary and Treasurer.

AN OPPORTUNITY FOR THE GENERAL PUBLIC AND INSURANCE AGENTS TO BECOME STOCKHOLDERS.

The Hartford Fire Assurance Company, incorporated under the laws of Congress for the Indian Territory, offers for public subscription a limited amount of its capital stock of $1,500,000 to the general public and insurance agents throughout the United States. As far as we know, no insurance company has ever offered its stock for sale to the general public and insurance agents throughout the country, because the insurance stocks or a majority of the stocks are controlled by a few individuals. The capital stock is divided into sixty thousand shares of $25 each, par value. All stockholders stand on an equal basis, there being no preferred stock. This is an important feature and should receive the careful consideration of the investor.

AN ACTIVE, INTERESTED AGENT.

We expect to have an active, interested agent in every city and locality in the United States and Canada, and in order to secure the best possible representation it has been decided to take our agents into the company and allow them to share in the profits of the general business. While stock will be sold to anyone, only one agent will be appointed in any one locality. The purchase of stock by those who do not become agents will be of great advantage to the agent, as these purchasers will form a nucleus of support to the agent and will guarantee permanent patronage and assistance in getting more business than they would not otherwise control; preference as to agency will be shown to the first purchaser of stock.

OUR METHOD OF BUSINESS.

The Hartford Fire Assurance Company proposes to do a general health, accident, burglary, cyclone and fire insurance business.. We will allow agents a commission of 25 per cent. on fire and cyclone premiums accepted, and 35 per cent. on health, accident and burglary insurance.

SPECIAL ADVANTAGES.

Our commission to agents is liberal, but not any more so than most of the companies pay agents in large cities, and we propose to regulate the commission, and allow the small agencies as much for their efforts in securing business for us as the agencies in large cities, and at the same time give them a permanent place as members in the company and share in its profits; nevertheless the number who can avail themselves of this offer is limited.

Persons subscribing for stock which amounts to over $1,000 may have the privilege of paying for their stock as follows: One-third cash and executing their notes for one and two years time for the balance at a rate of 6 per cent. interest per annum.

WHAT THE INSURANCE TRUST IS DOING.

We call attention to the fact that we do not belong to any insurance trust or combination. Every insurance agent as well as the assured knows that the rates have been advanced to prices which do not justify the insurance trust to make, and in a good many instances rates have been advanced from 15 per cent. to 50 per cent. Trusts and combinations of all kinds exist for the express purpose of maintaining higher rates than a healthy business competition would warrant.

An example of one company taken from the insurance reports in 1894 before the advancement in rates, or before the insurance trust was formed, will show you conclusively the profits made. Total income, $3,467,992; losses paid, $1,767,268, leaving a net amount the company had on hand after paying losses, $1,700,724. The business the same company did in 1903, nine years afterwards, total income, $6,726,750; losses paid, $2,680,112, net amount after paying all losses, $4,046,638. The company referred to in this example has a capital of $1,000,000, and about 33⅓ per cent. of the premiums received after deducting agents' commission paid the losses incurred.

It is not a wonder that the insurance companies have never offered their stock for public subscription at par. We offer you stocks which are bound to pay you a nice profit on your investment and increase in value. No insurance remains at par, and now is the time to buy if you want our stock at par. Some insurance stocks are now worth $1,200 to $100. Any insurance company conducted on a sound business basis is an assured success; it is not a speculation by any means.

ROBERT C. CLAIBORNE,
Vice President and General Manager.

If you have some business to offer us we would be glad to take care of it for you on the commission basis quoted.

Our fire policies include wind, cyclone and lightning clauses added without extra cost.

Remember, we write at rates previous to the advance of 15 per cent. to 25 per cent.

We hand you with this prospectus a subscription blank, and if you wish to become a stockholder with us, we would advise you not to delay the matter, as this stock will not be offered at par value but for a short time. Remember, this is a company for the people, and not controlled by a trust. We give you an extract from Governor Davis' message to the Legislature of the State of Arkansas: "GENTLEMEN—THE PEOPLE OF THIS GOVERNMENT ARE BEING ROBBED BY SOULLESS CORPORATIONS, AND IF THEIR WITHERING, BLIGHTING CURSE IS NOT STAYED, GOD HIMSELF CAN ONLY FORESEE THE CONSEQUENCE."

AGENCY DEPARTMENT

THE HARTFORD FIRE ASSURANCE COMPANY.

(Cut of Capitol at Washington.)

Incorporated Under the Laws of Congress for I. T.
CAPITAL STOCK, $1,500,000.

NEW YORK, February, 1905.

EXECUTIVE OFFICES, HARTFORD BUILDING, NEW YORK.

DEAR SIR—We want your insurance business for the following reasons: Because we belong to no insurance trust or combination, we underwrite for no other companies and are not connected with them in any pool to fix rates. We will write your insurance at rates you were paying before the advance of 15 per cent. to 25 per cent. We will allow you agent's commission, 25 per cent. off, of your premium for writing your own business. Our fire policies include cyclone, wind and lightning clauses, added without extra charges, all for one premium. We write all first class city and country dwelling, barns, mercantile and manufacturing risks, etc., at reasonable rates. We hand you an application and trust to hear from you with a share of your business. Premiums over $50 we will allow you to pay part by notes at 6 per cent. interest, thirty or ninety days' time. We are offering a limited amount of our capital stock for public subscription and will be glad to send you full information on application. No one allowed to subscribe for more than 200 shares ($5,000) or less than four shares ($100). We also write health, accident and burglary insurance, on which we pay a commission of 35 per cent. If you have insurance and not interested in an insurance investment please hand this letter to someone whom you think will be.

Trusting to hear from you soon, and thanking you for a share of your business, we beg to remain,

Yours very truly,

THE HARTFORD FIRE ASSURANCE COMPANY,
Robert C. Claiborne, General Manager.

P. S.—Keep your rates like they were before the advance by patronizing a company not in a trust; also become a stockholder with us. Insurance stock always pays.

LA FOLLETTE STATE BANK.

Capital $25,000.

LA FOLLETTE, Tenn., January 27, 1905.

This is to certify that we are personally acquainted with Mr. Robert C. Claiborne, formerly of this State and now of New York City, and know him to be responsible and reliable, and a perfect gentleman in all his dealings.

LA FOLLETTE STATE BANK,
By C. M. Glover, Cashier.

Accompanying the above literature is an application blank patterned after the usual daily report form, and containing most of the customary questions and a location diagram.

A VISIT TO HEADQUAKTERS.

A visit to the "executive offices" on Wednesday revealed the promoters of the new company in full operation. A little ten by twelve room on the ninth floor of the Hartford Building, with the name of the company on the door and "Robert C. Claiborne, General Manager," contained three young ladies and two gentlemen, the latter in their shirt sleeves, all busily

engaged in folding circulars, putting them into envelopes and addressing and stamping them. Inquiry being made for Mr. Claiborne, a rotund, smooth faced gentleman at the end of the table arose. The visitor stated that he had come at the request of a friend out of town to inquire concerning the company and in reference to an offer of stock. The rotund gentleman explained that the company was at present in process of formation, and would shortly enter all the States and Territories of the Union for business.

"Our literature will make our plans clear to you," he said, handing out replicas of the matter printed above.

"It is stated in this circular that the company is to do fire, life, accident and health insurance. Will all these branches be conducted under the same management?" he was asked.

"Yes, that's right," he replied; "our charter covers all that."

"Has this company anything to do with the Hartford Fire insurance company of Indian Territory that was put out of business by the Post Office Department awhile ago?" was asked.

"Oh, no!" replied Mr. Claiborne. "That was an entirely different company. This one is just being organized, as I told you."

"Is Mr. Rogers, who was president of that company, an officer of the new company?"

"No, he is merely a stockholder," was the reply.

The next inquiry was as to the New York city bank references of the new company. In answer Mr. Claiborne turned to the other man who sat near, saying: "Mr. Rogers can tell you more about that."

Mr. Rogers, a stocky, smooth shaven man, with protruding forehead, wore a huge yellow diamond in the bosom of his negligee shirt and a diamond studded watch charm on a large gold chain. He did not reply to the question with alacrrity. "Well, the fact is, we have no bank references here at present, but Mr. Claiborne is very well known in Nashville, Tenn., and elsewhere in that State, and you will find a signed statement as to his character among the papers he has given you. Our president, Dr. Adolph Waechter, is a well known practicing physician in New York here, and if you want any local references you had better see him."

"How much of the capital stock of the company has already been subscribed, Mr. Rogers?" he was asked.

"Twenty thousand dollars," he replied promptly. "We expect to be issuing policies within a month or so, as soon as we have completed arrangements with the different insurance officials. I do not yet know what all the requirements will be in all the States."

"When the company begins business I presume the executive offices will be removed to Indian Territory?" said the visitor.

"No," replied Mr. Rogers; "they will stay right here. It is a much more central location for the conduct of our business."

Mr. Claiborne, who, during this conversation, had been industriously licking stamps, then said: "We intend to have everything about this company the very best, stationery and all that. Have those certificates come from the printers yet, Mrs. Rogers?" he asked, turning to a slight, dark haired woman who sat across the table.

"No, they have not," she said, handing him at the same time an artist's design for an elaborately engraved certificate which was pasted on a piece of cardboard. This Mr. Claiborne exhibited.

"Each stockholder will receive one of these certificates, stating the amount of stock he has purchased in the company," said the general manager. The certificate showed the Capitol at Washington with great fidelity upon a background of green and wobbly engraving.

"That's fine!" the visitor could not refrain from commenting. "Of course one could not invest much money in any new company," he continued, "without making some inquiries as to the standing of the parties behind it."

"That's right," chorused Claiborne and Rogers, as the inquirer stumbled over several mail bags stuffed with circulars and went out. "Good day! Call again!"

INTERVIEW WITH THE REPUTED PRESIDENT.

Dr. Adolph Waechter was found in the directory as a physician at 216 East Twelfth street, an unimposing brownstone front, between Second and Third avenues. There were several patients waiting in his office, and the seeker after the truth took his turn. The doctor was a tall young man about thirty years of age, with a guileless face and a slight German accent.

"I understand you are the president of the Hartford Fire Assurance Company of this city, and I have come to make some inquiries about it. Mr. Claiborne, the manager, referred me to you, and said you could give me some particulars as to the local reference of the company."

The doctor looked somewhat annoyed. "I do not know Mr. Claiborne," he said, "and I am no longer president of that company. I resigned on Monday last."

"That is peculiar," said the reporter. "At the head offices of the company they are very busy just now sending out circulars which give your name at the head of the list of officers."

"If they are doing that," replied the doctor, "they are doing it without my sanction, and I shall take legal steps to prevent them if necessary. I resigned as president of that company on the advice of my lawyer, and I will have nothing to do with them."

"Do you know anything about the financial standing of the men who are organizing it?" he was asked.

"No, I do not," he replied. "Mr. Rogers came to me as a patient about four years ago, and I have known him since then in a professional way. To be frank with you I was roped into this thing, and I am glad to get out of it. Mr. Rogers asked me about a month ago if I would go into a fire insurance company as an investment, and I told him I would on a business basis if the company was perfectly legitimate."

"Were you to receive any salary as president?"

"Yes, and I was to invest in the capital stock of the company also."

"Did you do so?"

"No, I did not, but I was going to. They held a meeting of directors, so Mr. Rogers said, which I did not attend. And then he brought around the charter for me to sign. But I thought there was something irregular about it, and so I consulted my lawyer. Anyway, there was an insurance man around to see me, and he told me that the company was not a good one, and that I had better keep out. So I went and had a talk with my lawyer, and sent in my resignation."

"Did you know that Mr. Rogers was under indictment for fraudulent use of the mails, Dr. Waechter?"

"No, I did not; that is news to me."

"Then you wouldn't advise anyone to put any money in the company?" he was asked.

"No, I wouldn't," he replied; "I don't know anything about it; whether it is all right or whether it is not. Of course it is just starting up, but I would advise anybody to keep his hands off."

The doctor seemed to be much chagrined at his experience with the company, and his manner was so evidently sincere

that there was apparently no doubt that he had been "roped in," as he put it.

The various cases against Rogers have been pushed with vigor by the Alfred M. Best Company, of 90 William street, as well as by the attorneys of the Hartford Fire insurance company of Hartford, Conn., and at the former office it was stated on Wednesday that the injunction which Rogers asked for to restrain Postmaster Wilcox, of New York city, from detaining his mail was denied a few days ago by Judge Lacombe, as was expected. Mention of his arrest and bailment on a fraud charge was made in the last issue of THE WEEKLY UNDERWRITER. The fraud order, which now stands, however, does not hold against the new incorporation, although it does stand against the "Hartford Fire insurance company of Indian Territory." The incorporation of the "Hartford Fire Assurance Company," just accomplished, allows the reception of mail addressed to the latter concern by virtue of the very small change made in the wording of the appellation. And the authorities seem powerless to stop the flood of literature emanating from the "executive offices" in the Hartford Building.

The First Life Underwriters' Association—Address of Insurance Superintendent Drake Before the Baltimore Life Underwriters.

The Baltimore Life Underwriters' Association had its annual banquet at the Hotel Belvidere in that city on Tuesday night. Among the speakers were President John Dolph, of the national association; Congressman Goulden, of the Penn Mutual Life; I. Layton, register of the Equitable Life, and the Hon. Thomas E. Drake, Superintendent of Insurance of the District of Columbia. Mr. Drake spoke in a happy vein of his old associations with life insurance as an agent, and of many of the old time features of life insurance canvassing. Passing into a historical and reminiscential mood, he said:

I was a member of the first life underwriters' association that was organized in this country, and, later, was one of its officers. I refer to the Cincinnati Association of Life Underwriters, that was organized at Cincinnati in the spring of 1872.

I remember distinctly the circumstance that led to the organization of the original association; and I will give you, as briefly as possible, the outlines of it.

Going back a generation from the time of which I speak we are told that in the 40's and 50's there was quite a craze for the organization of life insurance companies in this country. The business at that time was in an embryo state and it was conducted on exceedingly conservative lines; the commission paid on the first year's premium being a mere pittance as compared with what is being paid today, or the amount that has been paid during the last generation. In those days the policies were small, rarely exceeding $1,000 in amount, and they were widely scattered.

From the outbreak of the Civil War to its close very little new business was written. At the close of the war, however, life insurance received a sudden impetus, and companies then in existence immediately began to establish State agencies throughout the Union.

At that time hundreds of unemployed men were in every community. They were, many of them, men who had seen service either on one side or the other of the conflict, and they were mostly without means. As life insurance required no capital, they, naturally, took to it for a livelihood. Unfortunately, however, for the business, a large percentage of these men were unscrupulous, and there were many promoters among them, some of whom organized life insurance companies for purely speculative purposes. Many of the officers of these companies, however distinguished in other respects, had no experience in the business of life insurance; neither were they financiers; their companies had no reputations and they resorted to all sorts of schemes, makeshifts and subterfuges to obtain business, prominent among which was

THE LOCAL BOARD SYSTEM,

which swept over the country like wildfire, fairly dazing and paralyzing the agents of the old established companies and the companies themselves. This fierce competition led to an increase of commission on the first year's premium, and the struggle for business carried on between the new and old companies was desperate. To meet the local board scheme the general agents of the old companies offered outright to every applicant a flat rebate, which only added fury to the contest, and the business became so demoralized that it was almost a disgrace for a reputable man to be engaged in it.

I remember very well indeed, one afternoon, while I was serving an apprenticeship, in a Cincinnati insurance office, an apparently well to do business man, who was a stranger, called to inquire about plans, rates, &c. Discovering, after a short interview, that he would be an easy victim in the hands of a keen, experienced member of the life insurance craft, I took him into the private office of the general agent and introduced him to that gentleman. In the course of a few minutes the general agent came out with a check for the first premium on a $5,000 policy, and instructed me to give him a binding receipt and make appointment for the medical examination of the applicant, which I did. After the applicant left the office the general agent said to me, "There are two circumstances connected with my insuring that gentleman that make me feel very queer. In the first place, it is a rare thing to insure any one at first interview—especially a stranger. I have occasionally done it, but my suspicion has always been aroused whenever a person, of his own accord, applies for life insurance. In this instance, however, I am satisfied that the gentleman's motives are all right, for he is the proprietor of the Burnett House, whom I have known of for some years. It has been so long, however," said he, "since I insured anyone without offering a rebate as an incentive, that I feel as though I had robbed the man, and, feeling that way, I have decided that there is but one of two courses for me to pursue, that is, either get out of the business or make a move to reform it." In those days very

FEW OF THE GENERAL AGENTS KNEW EACH OTHER.

They did not want to become personally acquainted because they thought it would militate against their business interests. What an absurd idea! Why, it is only since agents have overcome this mistaken notion that the life insurance business has become popular, and it has developed since then, too, into proportions that have outstripped all other commercial enterprises.

The gentleman with whom I was then associated as clerk—I refer to Mr. R. L. Douglas, ex-vice president of the Inter-State Life Assurance Company, of Indianapolis, Ind., who is still identified, at the home office, with that company—was one of the pioneers in the life insurance business in Cincinnati, and one of the ablest of his profession that I have, personally, ever known—proof of which, outside of his regular calling, Mr. John R. Hegeman, president of the Metropolitan Life Insurance Company, of New York, told me, during our last interview, not long ago, that the constitution and bylaws of the original Cincinnati Life Underwriters' Association, both of which Mr. Douglas alone was the author of, are the strongest and best, for the purpose intended, that he had ever seen.

He (Mr. Douglas) personally knew all of the agents and was popular among them. In the course of a few days he visited most of the principal offices and advocated the plan of organizing a life underwriters' association, for the purpose of driving out of the business all unscrupulous men, and to abolish the evil practice of rebating. Following this preliminary step a general call was made, to which a number of the agents responded; they meeting at the Cincinnati Board of Trade, where, I believe, the first life underwriters' association in this or any other country was organized. Its effect was felt immediately, locally, and the Cleveland fraternity soon took the matter up and organized there, copying the constitution and bylaws of the Cincinnati association verbatim. Within a year these two associations organized a State association, and its reformatory effect was felt in every nook and corner throughout Ohio. The State association did more than this; it appointed legislative committees, from time to time, whose business it was to stay in Columbus while the General Assembly was in session, suppress obnoxious legislation and aid in the enactment of good laws; and nearly all the desirable features that are now in the Ohio statutes, pertaining to regular life insurance—including the anti-rebate law—were placed there through the influence of those legislative committees.

This, gentlemen, in brief, is the history of the parent association, from which have emanated all local associations, State associations, and the national association, of which we are all so

justly proud—the beneficial effect of which work has been felt in every State of the Union, since its organization fifteen years ago.

SOME PRACTICAL WORKINGS OF LIFE INSURANCE.

Life insurance is one of the greatest and grandest commercial institutions of modern times. For over thirty years I have seen the good effects of it almost daily, but there came under my observation and experience not long ago one of the most practical applications of its workings that I have ever seen. Two colored women, thinly clad, wet—for it was raining—and shivering with cold and fear, called at the Department of Insurance in Washington for advice respecting the disposition of the remains of a colored woman, who had been a friend of theirs, that had died that morning at one of the city hospitals. Her body was removed to the morgue as soon as life was extinct and the superintendent of that institution notified these women that unless it was taken away from there by 1 o'clock that day it would be consigned to the potter's field. The only estate the deceased left was an industrial assessment association death benefit certificate, issued by a small local association, amounting to $37.50. The beneficiary of the certificate was dead and the deceased had no heirs. These colored women called at the office of the association and requested payment of the claim in order that they might remove the body of the deceased; but the association refused payment—in which it was right—because there was no legal representative to receipt for settlement of the claim.

After hearing the case I suggested that they return to the morgue, tell the superintendent that they had visited the Department of Insurance, and that I had requested them to ask him to withhold removal of the remains until arrangements could be made for a respectable burial. I also suggested that they, after performing their mission, go to the office of the life insurance association and request the secretary to call at the department and I would suggest to him a way by which the claim could be paid without legal complications. Those women did not return, which was convincing proof to me that the body was not buried in the potter's field.

Contrast this with the case of Favey, of Minneapolis, who, in company with others, engaged in vast wheat elevator enterprises along nearly all the railroads in the Northwest. Knowing that, without life insurance, his death would be their financial ruin, he took out in one company several years ago a $1,000,000 policy on his own life in the interest of the firm, the payment of which saved their business after his death, which occurred within two years from the time he insured. Thus from the lowest to the highest, in great and small cases, is seen and experienced the inestimable advantage of life insurance.

These are only two instances of the kind, gentlemen, as you know from experience, that are occurring almost daily throughout the country, and it speaks in the most praiseworthy terms of the beneficence of life insurance.

Having been "one of you," so to speak, I know all about the encouragements and discouragements with which you are daily confronted; therefore, in closing, permit me to say just a word to the general agents, local agents and solicitors present, by way of citing you to a few encouraging mottoes to adopt in your respective spheres.

Inscribed on the walls of the Congressional Library in Washington, among other classic quotations, are these words from Virgil:

"The noblest motive is the public good."

That sentence, gentlemen, is pecularily adapted to your vocation; and in my judgment, unless it is that of the ministry, there is no nobler calling than yours. Ministers save souls and elevate the moral tone of society, while you save estates, deplete the tenantry of almshouses and save the poverty stricken from being buried in potter's fields.

In order to be successful, however, in your work unswerving integrity is essential, and Shakespeare's advice, too, should be observed in respect to being

"Familiar, but not vulgar."

Those four words mean that you should be discreet in your solicitations and yet persistent, which advice if you will indelibly inscribe on your banners, and observe, as sure as the night follows the day your efforts will be crowned with success, no matter where or with what company or companies you may cast your lot. Aim high, gentlemen, and if your purposes and motives are pure, upright and honorable your ambition will be gratified surely, sooner or later. The best evidence of this that has ever come under my personal observation was expressed by President McKinley in closing his speech at the Omaha Exposition, which encouraging thought, no doubt, emanated in his mind, and it was very likely fittingly typical, too, of his own life and experience. On that occasion he said:

"Right action follows right purpose. We may not always be able to divine the future; the way may not always seem clear, but if our aims are high and unselfish, somehow, and in some way, the right end will be reached."

Those words are most inspiring, and for the edification of the old, as well as the young, they ought to be, irrespective of sect, creed or political belief, conspicuously inscribed on the front page of every American text book.

Fraternal Life Insurance.

The following are extracts from Mr. Miles M. Dawson's interesting address at the Wharton School of Finance and Commerce of the University of Pennsylvania recently delivered, the subject being fraternal life insurance. Concerning the "fundamental error" of the plan originally in vogue among the orders, Mrs. Dawson said:

Let us consider somewhat closely the nature of the fundamental error in the assessment plans. The first of these plans to be considered is that of equal rates without regard to age, which we may call the flat assessment plan. Under this, members admitted at the age of twenty, thirty, forty, fifty and sixty were all assessed the same amount toward the payment of death losses, although, according to one of the standard tables, at the age of twenty the risk of death calls for a payment of $7.80 per $1,000, or about 65 cents per month; at age thirty for $8.43, or about 70 cents per month; at age forty for $9.79, or about 82 cents per month; at age fifty for $13.78, or $1.15 per month, and at age sixty, for $26.69, or $2.22 per month. It will be observed, therefore, that the older members would be assessed much less than their insurance actually cost, and the younger members much more. That such a plan could have got started at all was due, therefore, to two circumstances outside of the historical conditions to which I adverted this morning, viz.: That there was extreme economy of management, which more than offset any additional cost to the younger members for the time, and, second, that the fresh medical selection kept the total cost far below that indicated by the tables for several years, and, as the societies grew very rapidly, in some cases for many years.

Evidently, however, the plan had within it the seeds of dissolution, for the members grew older constantly, and this threw more and more burdens upon two classes of members, viz.: Those who are still at the younger ages, and more especially those who are newly admitted at the younger ages. After a time it could not but result in the refusal of young persons to come in, and also the withdrawal of many of the younger members. Where there was great economy of management, however, so that the excess charged for mortality upon the younger members did not equal the difference between the expenses in the society and the high expenses in other companies, and where also the mortality was kept at a low point by a large growth and fresh medical selection, the development of this difficulty was delayed for a long time, and many were deceived thereby.

RATES GRADED BY AGES.

Notwithstanding this, after a time, the idea became prevalent among the patrons of fraternal societies, as well as elsewhere, that there ought to be graded rates for the various ages. There was great distrust at the time of actuaries by the members of fraternal societies, and there was also great distrust of fraternal societies on the part of actuaries. The members believed actuaries to be false scientists, employed to bolster up the hated old line business; and actuaries, knowing that the assessment plan was fallacious and in the end ruinous, were wholly out of sympathy with the fraternal societies which employed such plans. Consequently, when the idea first became clear in the minds of the patrons of the societies that there ought to be graded rates, they naturally turned to the mortality tables to help themselves, and they found there rates according to age—that is, rates of mortality according to age. They believed a reserve to be an unnecessary thing and a "fifth wheel for a wagon," as they called it; and this view was somewhat confirmed by a book published by the late Mervin Taber, in which he divided a premium into what he called its "elements," viz.: Mortality, reserve, and expense. This division was metricious and misleading, in fact, being good for one year only, the division of the level premium into such

elements changing with each year, and after some years the mortality charge actually exceeding the whole net premium encroaching upon the accumulations of a reserve. But this was not made clear in the book. Therefore, the next plan was what has been known as

"GRADED ASSESSMENT,"

that is, assessments graded according to ages at entry. Precisely as under the other plan, only enough was intended to be called to pay current losses, but now the assessments were made, for instance, 63 cents at age twenty; 70 cents at age thirty, 82 cents at age forty, $1.12 at age fifty, $2.22 at age sixty, or other varying rates, supposed to represent the mortality at the various ages. Once fixed, these rates were not intended to be changed; that is to say, a member who entered at twenty would pay at the same rate until he was forty, fifty, sixty, seventy, eighty.

Supposing, now, that this rate was properly determined at the age of entry, it must be manifest that when a man was twenty years older he will be subject to an average mortality rate at an age twenty years higher, and not to the rate at his original age. Let us assume, therefore, members admitted at twenty, thirty, forty, fifty and sixty, for instance. The member at thirty pays but a small advance, about 5 per cent. on the member at twenty; the member at forty shows an advance of about 25 per cent. on the member at twenty; the member of fifty shows an advance of over 70 per cent. on the member at twenty; the member at sixty an advance of over 200 per cent. on the member at twenty. Now, let us look at these same members twenty years later, and for the moment assume that no new members are admitted, so that it is a mere question of distribution of cost between members. The member admitted at twenty is now forty. In order to pay for his insurance at twelve assessments per year, the mortality being as per this table, he should be paying 82 cents instead of 65 cents, or more than 25 per cent. additional. The member admitted at age thirty is now fifty, and should be paying $1.12, or 60 per cent. more than before. The member admitted at forty should now be paying $2.22, or 170 per cent. more than before. The member admitted at age fifty, now seventy, should be paying $5.17, or 360 per cent. more than before. The member at age sixty, now eighty, should be paying $12.04, or 442 per cent. more than before.

THE RATIOS OF PAYMENTS.

It is not, however, of absolutely the first importance that each of these should receive his insurance for twelve assessments of the same size as before; the important question to determine is whether the ratios of payments which they were making at the outset to one another is a correct ratio now, twenty years later, so that each of them is paying his fair proportion of the total cost. Twenty years before the member admitted at twenty and the member at forty were paying in the proportion of 65 to 82, and that still remains their rate. In other words, the man at forty was paying about 20 per cent. more than the man aged twenty; each of them is now twenty years older, and the cost to the member admitted at age twenty, who is now forty, is 82 cents per month, or 25 per cent. more; for the member admitted at age forty, who is now sixty, $2.22 per month, which is not 25 per cent. more, but is 170 per cent. more, in round numbers. It, therefore, follows that this plan becomes increasingly advantageous to the members as they become older and correspondingly disadvantageous to the younger of them. Thus, for instance, the member admitted at age sixty is paying $2.22 instead of $12.04, or about five and one-half times as much. That is, he is getting five and one-fifth times the benefit, while the member at age forty, who is admitted at age twenty, is getting only 25 per cent. additional benefit.

This would be bad enough for a society which admitted no new members, and would be extremely unfair to the younger members. It would, however, soon work its own cure, either by the disease running its course and destroying the institution, or by a reformation of plan. The admission of new members, especially in large numbers, tends to divide the extra cost of the old members' insurance over their own payments among a large number; but it is yet more unfair, because, in effect, it taxes not merely upon the member at forty who is admitted at twenty an unfair share of the mortality, out of all proportion to the cost of his own protection, but it taxes also the newly admitted member, at age twenty, the same proportion which the other member pays at forty. After some years this must necessarily be discontinued. The length of time that it can continue depends upon the growth of membership, economy of management, excellence of fresh medical selection and other things; but in the end it must always spell ruin unless relinquished.

The fact that members who are admitted at twenty, for instance, do not continue to experience the death rate proper to the age of twenty forever has not failed to be noticed by the patrons of fraternities, and, in consequence, some years ago a fraternal society was organized which offered protection, the rate increasing as the member grows older; but it was realized that this sort of insurance would not be attractive if the plan should be carried to its conclusion, and therefore it was provided that there should be no increase after the member attained the age of sixty. The society created no reserve to take care of the excess cost of the protection to members beyond sixty over their payments; and therefore this plan, when carried on long enough to get a considerable membership beyond the age of sixty, also threw upon the younger members and upon the new entrants a large part of the burden of the cost of protection furnished to the older members. This plan in its original form attracted a good many of the more discerning patrons of fraternal insurance, and it has been adopted by a few societies other than the societies which originally introduced it; but it has not become widely popular.

REORGANIZATION.

When the time finally came for reorganization, some of the societies which, by reason of comparatively poor medical selection, slow growth or lack of economy, became victims of the defects of the system earliest, passed out of existence. Their fate served as a warning to others; and there began to be an active movement for adequate rates and sound plans. This movement had gone forward, until at the present time several of the most important fraternities have made changes in their plans looking toward financial strength and permanence. These changes, for the most part, consist in the adoption either of level rates correctly computed on a scientific basis, or of level term or increasing term rates during the working period of life, merged into level rates beginning at old age. The societies have employed, in connection with devising these plans, various actuaries, and have shown a commendable disposition to study their conditions thoroughly, and to adopt new rates which will, when the shock to the organization has passed, put it upon a permanent and solid basis. They have approached the problem with courage and intelligence, and the work which they have accomplished within a few years has received the approval of all who are thoroughly acquainted with the nature of the problems before them, and has enlisted sympathy and co-operation on all sides. Moreover, they have, notwithstanding the somewhat radical changes which have sometimes been necessary, held a large proportion of their old membership, and in every case, as soon as the shock of the readjustment has been recovered from, they have again begun to increase their membership.

The Attitude of Man Toward Death.

The following are extracts from "The Individual; a Study of Life and Death," by Nathaniel Southgate Shaler, professor of geology in Harvard University and dean of Lawrence Scientific School, just published by D. Appleton & Co., New York:

In the chapter on the effect of religion on the attitude of men toward death, it should be understood that the statements which are there made are directed, not against faith in the higher sense, not in the least against Christianity in its native form, but against the curious remnants of primitive religions which have crept into this most magnanimous of beliefs, turning its blessings into curses and its light into darkness, thereby laying a burden upon human life and hope in ways even more grievous than those of pagan times.

In effect, this book is a plea for an education as regards the place of the individual life in the whole of nature which shall be consistent with what we know of the universe. It is a plea for an understanding of the relations of the person with the realm which is, in the fullest sense, his own; with his fellow beings of all degrees which are his kinsmen; with the past and the future of which he is an integral part. It is a protest against the idea, bred of many natural misconceptions, that a

human being is something apart from its fellows; that it is born into the world and dies out of it into the loneliness of a supernatural realm. It is this sense of isolation which, more than all else, is the curse of life and the sting of death.—*From the Introduction.*

It is this care for those who are to be left that weighs most upon the minds of men. It is so grievous that many of them would gladly accept death as the price of perfect and enduring replacement of the help that they now give to those for whom they care.

As a part of this altruistic fear of death which is so fostered by the development of society, there is a dread of its coming to the beloved. Many persons—this is particularly the case with women—who have almost attained the blessed forgetfulness of their own fate, have transferred the ancient terror to the fate of children or friends. Herein lies the great body of the world's agony, which it is the part of the higher knowledge and the feeling that goes therewith to cure, even as previous advances in human nature have in good part cured the ancient, selfish, half-animal fears. Let us see if we can forecast that future and if we can help its coming.

We see at once that the fear of death, which arises from the sense of the need which may befall the beloved, is in large part due to the conditions of society. There is no longer much reason to apprehend that the death of a man may reduce his family to the state of brutal want, as regards food and clothing. The risk is that they fall in this station to that state of penury. Although the fall may entail no physical suffering it may bring a degradation which involves quite as grave trials. As the world is, station is a very dear possession of those who have it. The question is how far can the conditions of our social motives and institutions be so modified that this danger arising from the death of the strong may be minimized.

Even a cursory examination of the institutions of our highly organized societies makes it evident that they have gone a little distance on the way that insures something more than the protection of the poorhouse to those who by death are left without their natural protectors. The system of life insurance, mainly a development of the nineteenth century, is by far the most effective of these agents. Unhappily, the progressive and rapid fall of interest on capital is likely to limit, year by year, the protective value of this resource as measured in terms of labor. Still it bids fair, while the present constitution of society continues, to remain the most effective help against the most care giving incidents of death." * *

The motive of caring for the families of the dead finds expression not only in associations formed for this purpose, it is becoming common in all groups of men who are in anywise connected in action or history. In college classes, in the faculties of our greater schools, among the employees of great commercial establishments, and elsewhere throughout the complex or activity of our time, the sympathetic motive shows its modern development in the efforts of the living to carry forward the work of the dead, and the living who depended on his labor. Almost any kind of a tie, however slight, is accepted as a basis of brotherhood and as establishing a claim for active help. It is, in a word, evident that we are nearing the time when one of the gravest reasons for the fear of death will in large part disappear in a sympathetic relation which will insure the families of the dead against the degradation of want.

There are sorely mistaken people who think that this work of private beneficence should be replaced by some form of government pensions. While such a system, if it afforded effective helps proportional to the station of the unprotected, which it surely could not do, might have certain immediate advantages, it would, in a larger way, be destructive to the sympathetic motive, which is the most blessed concomitant of the work that is now done. So long as a man gives from his own hand, or even from that of a society that is near to him, his act is charitable. "It blesses him that gives and him that takes" alike. When done by the Government the act loses all personal quality; it becomes a mere mechanical deed. The way to the end is straightforward on the path which has carried us so far; in the closer interlacing of all the human relations, especially those which are formed in the ordinary duties of life, so that all who toil together shall feel that they are brethren, each owing to the other the help in trial that men can give. Used in this way the incident of death may become, as it should be in all affairs, the inspiration to a firmer bond between men than any other basis of fellowship can afford.—Chapter "*The Attitude of Man toward Death.*"

Saved by the Scissors.

TRUISMS.

Earnestly, faithfully, impartially, give consideration to life insurance. As protection, is it not pre-eminent?

Time for taking stock again! Is a policy one of your investments to be inspected? Though your possessions be many, there can be nothing better among them.

"Do it now" is a much but not over worked phrase in its application to life insurance negotiations. If more often heeded, how much of hardship it would prevent!

Now comes another year! That policy you have, ought it not to be increased? Is it not insufficient? Does not your enlarging prosperity call for more protection? Passing months mean growing age and advancing premiums.

The breadth, the extent, the uses of life insurance are far more than most people understand. It is the only business of the land scientifically conducted, with the support of bereaved people its ultimate purpose.

The man who died yesterday was going to add more insurance "soon." Waiting never solved a problem. "Too late" is an exultant foe. "Act now" removes all chances. "Any time" keeps wide open the door for misfortune.

All the good things said of life insurance come short of the marvelous accomplishments of the most helpful idea of the age. To the faithful policyholder it is a possession of definite value, while the interests of delinquents are carefully served.

The howling winds of winter will rage year after year, whether we live or die. The insured man finds satisfaction in the thought that his policy will prevent discomfort to his loved ones. Serious suggestions ought to arise in the mind of the man without protection.

The money that you saved—where is it now? Used to gratify some overpowering whim perhaps! But the sums paid for life insurance continue undisturbed, ready to be helpful when the hour of necessity arrives. Inactive temporarily, but faithful constantly.

Life insurance is a theory, a principle, a fact, the merging of desire, philanthropy and experience, a system founded upon good intentions and supported by worthy purposes, a contract which manifests proper recognition of family obligations, an investment which indicates thought, a protection that evinces love.—*The Union Mutual.*

BE A GENERAL.

It is a fact that the successful life insurance man must, first and above all, have an earnest purpose in life, well defined.

It must be his desire to be a commander.

Many, many men enter the profession of life insurance in a haphazard manner; many take up the work as a last resort, but before these men can expect any marked degree of success they must make up their minds to master the knowledge pertaining to the subject, and make of life insurance a life work. They must recognize from the standpoint of possibilities and financial rewards it is one of the greatest professions in the world, that by dint of their daily effort they can become a part of the cream of the business world, and cream rises to the top in obedience to a natural law.

When once a man has this ambition definitely fixed in his mind he must back it up by an earnest application of the eternal law of work.

Did it ever occur to you to pause and consider whether you are following the lines which will most surely make of your life a business success?

The greatest mistake that the average solicitor makes is the narrow view he takes of his position as a business man.

In the stress and press for business, and attention to detail, he loses sight of the great general plan. He must get away from this view through a microscope and take a long range field glass; then go a sufficient distance so that he can view the entire field of his possible operations.

He should map out a definite plan of action and work deliberately toward its achievement.

He must be a general.

He must have an infinite knowledge and capacity for detail, yet so far sighted a vision of coming emergencies that he is able to plant a battery upon every vantage ground and to anticipate and successfully meet every emergency when it arises.

He should bring all his powers, of every description, to his aid, for in combination there is force; in organization there is

power—a combination of the right faculties, qualities and energies and their proper organization develop an irresistible business momentum.

It is a fact that pessimism and failure go hand in hand.

Optimism is an invariable partner of success. The germ of much of the pessimism in the natures of many of the salesmen today is found in inactivity.

The man who looks at life's energies and is not a part of them sees the apparent contradictions and confusions, and misses the governor—the balance wheel of hard work.

Thought and action are like the two arms of a revolving governor—they must balance to accomplish results.—*R. U. Conger in the Security Agent.*

Carrying the question forward still further, the importance of life insurance as a means of furnishing ready money for the wife, should death come to the husband, merits recognition. Almost any arrangement for income or investment can now be made through the medium of a policy.—*The Union Mutual.*

Life Insurance Business in Rhode Island in 1904.

(Compiled from a Preliminary Report of the Insurance Commissioner.)

COMPANIES.	Policies Issued.		Policies in Force Dec. 31, 1904		Premiums Received.	Losses Incurred.
	No.	Amount.	No.	Amount.		
Rhode Island Companies.						
Providence	810	$108,450	2,012	$301,600	$5,173	$4,087
Companies of Other States.						
Ætna	29	$67,381	443	$993,994	$28,933	$26,170
Bankers	21	144,200	99	241,000	5,511	100
Berkshire	14	44,000	258	469,760	13,844	6,973
Columbian Nat.	141	295,250	168	451,500	19,728	.....
Connecticut Gen.	26	50,500	98	197 562	7,270	.....
Connecticut Mut.	74	122,302	748	1,686,251	42,783	40.665
Equitable	413	1,447,354	2,386	8,463,253	311,879	54,581
Fidelity Mutual	14	22,000	105	241,185	6,751	7 000
Hartford	8	6,000	247	352,214	10,952	13 000
Home	20	25,000	177	269,564	11,122	4,000
John Hancock Mut.	599	701,500	1,329	1,665,670	63,161	2,500
Life Asso. America	12	30,000	4	8.000	498	.....
Manhattan	36	94,010	182	574,206	20.965	1,000
Massachusetts Mut.	393	1,071,247	2,051	5,590,292	226,774	44,000
Metropolitan	2,025	1,342,082	7,112	4,954,414	229,352	34 692
Mutual B nefit	72	194,968	784	1,993,830	71,498	62,613
Mutual, N. Y.	202	423,854	3.965	10,763,206	354,843	325,198
Mutual Reserve	17	75,457	200	532,916	15 479	8,000
National, Vt.	23	54,072	201	382.157	12,419	1,000
New Eng Mutual	152	345,267	1,127	2.893,235	98,652	46,362
New York	489	988,688	3,515	7.526,776	302,575	66,386
Northwestern Mut.	191	513.600	1,427	3 833,379	145,812	42,197
Penn. Mutual	29	243.987	160	512,030	36,488	12,282
Phœnix Mutual	87	160,132	610	959.432	34,873	4,993
Provident L. & T.	47	70.652	520	1,114,863	38,131	3.506
Provident Savings.	527	566.039	525	634.626	18.830	10.000
Prudential	664	824,681	1,946	2,183,525	94,190	8.317
Reliance	5	5.000	5	5,000	220	.....
Security Mutual	33	37.880	46	75,547	2,277	1,000
Security T. & L.	73	263,320	92	284,005	8,894	16,290
State Mutual	58	192,102	641	1,672,291	62,196	25.874
Travelers	30	99,442	471	1,561,037	46,265	41,251
Union Central	64	231 871	259	1,036,549	30,237	2.000
Union Mutual	108	135,837	422	548,415	20,092	14,536
United States	5	13,000	28	46,120	1.307	.....
Washington,	47	80,862	216	381,828	14,781	3,421
Totals, 1904	7,588	$11,091,987	34,579	$65,351.232	$2,414,755	$983,994
" 1903	10 100	11,929 322	35,309	62.147.770	2.230,455	1,144,481
" 1902	9,635	9 922.770	31,385	57,104.329	2,009,271	994,627
" 1901	8,866	9.819,522	27,303	52,464,988	1,799,655	1.011,212
" 1900	6,295	9,219,301	22,903	48,563,111	1 573.810	904,404
" 1899	4,447	8,835 760	19,082	44,484,829	1,476,360	1,001,312
" 1898	3,124	5,724,069	16,604	40,077,638	1.252,000	648,069
" 1897	2,797	6,789,085	15,339	38.678,368	1,239,492	426,737
" 1896	2,387	5,609,876	14,341	36,594,202	1,150,591	711,002

INDUSTRIAL INSURANCE BUSINESS IN 1904.

Columbian Nat.	7,553	$1,019,655	4,899	$693 879	$16,123	$5,590
John Hancock Mu.	21,768	3,442.226	80,596	12,744.640	542.353	149,955
Metropolitan	21,917	4,257 951	126,388	21,423,596	706,865	267,625
Prudential	8,768	1,190.149	22,311	3,082,879	117,352	39,759
Totals, 1904	60,006	$9,909 981	234 195	$37,944 994	$1,382,693	$462.929
" 1903	56 426	9,371,761	219,908	35,478 677	1,295,123	455,837
" 1902	59,773	10,572 981	202,169	32.593,915	1.187.932	395.706
" 1901	60,049	10 453.511	195,928	31,489.102	1,112.916	367.934
" 1900	54.919	9,497,751	180 402	28,465,784	997,127	349,462
" 1899	47,851	6,212.044	160,470	23,097 050	885.597	298 428
" 1898	38.349	6.355,983	140,715	20.675,782	814,711	266 562
" 1897	37,638	5,605,590	130,891	17,476,393	754,652	255.785

PHOENIX

—OF—

HARTFORD.

Capital,	$2,000,000.00
Assets,	7,341,884.91
Surplus,	1,742,346.17
Surplus to Policyholders,	3,742,346.17
Reinsurance Reserve,	3,070,611.96
Losses Paid since Organization,	53,972,773.70

AGENTS EVERYWHERE.

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P. and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1905.

Assets	$2,360,496.46
Surplus in United States	731,149.48

The Union Central Life Ins. Co.

CINCINNATI, OHIO.

THE GREAT POLICYHOLDERS' COMPANY

Assets, January 1, 1904,	$38,796,143.78
Liabilities,	32,615,645.78
Gross Surplus,	6,179,498.00

No fluctuating securities—Largest Rate of Interest—Low Death Rate.
Large and increasing Dividends to Policyholders.
Desirable Contracts and Good Territory Open for Live Agents.

Address JOHN M. PATTISON, President.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

ANDREW M. SWEENEY, President.
WILBUR S. WYNN, Secretary.

SAMUEL QUINN, Vice President.
CHARLES F. COFFIN, Second Vice President.

THE STATE LIFE INSURANCE CO.

TENTH ANNUAL STATEMENT, DECEMBER 31, 1904.

ASSETS.

Real estate, unincumbered	$1,100,000.00
First mortgage loans on real estate, worth at least twice the amount loaned thereon	1,045,258.83
Loans to policyholders not exceeding reserve (policies deposited with company)	614,864.19
Renewal premium notes on policies in force secured by their reserve	41,808.34
United States bonds	67,007.50
Cash in company's office and National Banks	69,049.80
Agents' debit balances	52,532.64
Interest accrued ($17,946.41), and rents accrued ($669.34)	18,615.75
Net deferred and unreported premiums, reserve charged in liabilities	209,624.30
Total, company's statement	$3,218,761.35
Non-admitted assets	58,678.04
Total admitted assets	$3,160,083.31

LIABILITIES.

Net present cash value (reserve) of all outstanding policies, according to actuaries' table of mortality, with 4 per cent. interest on all policies dated prior to January 1, 1901, and American table, with 3 per cent. on all others	$2,540,511.00
Losses due and unpaid	None
Losses in process of adjustment	24,000.00
Losses reported, proofs not received	35,500.00
Premiums paid in advance	5,426.43
Current accounts not due	7,774.49
Unpaid dividends to policyholders	2,285.71
Total liabilities	$2,615,497.63
Admitted surplus	544,585.68
Total	$3,160,083.31

UNPARALLELED GROWTH.

The following comparisons show the unparalleled growth of The State Life since organization. The figures for 1895 include three months of 1894.

	Insurance in Force.	Income.	Admitted Assets.	Reserve and All Other Liabilities.	Admitted Surplus.
	$	$	$	$	$
1895..	3,548,500	60,022	18,300	15,868	2,432
1896..	7,859,500	123,943	58,700	45,483	13,287
1897..	11,885,500	204,983	150,891	88,276	62,615
1898..	17,049,000	332,787	259,645	152,037	107,608
1899..	22,208,470	467,225	417,781	256,246	161,534
1900..	28,339,877	664,338	671,370	409,594	261,775
1901..	33,615,656	901,728	1,015,072	699,418	315,654
1902..	39,541,688	1,260,683	1,527,036	1,176,249	350,786
1903..	49,713,796	1,748,490	2,205,636	1,815,059	390,577
1904..	60,148,994	2,244,033	3,160,083	2,615,498	544,585

Securities Deposited with Auditor of State.

1897.....$50,000
1898..... $100,000
1899.....$200,000
1900.....$400,000
1901.....$500,000
1902.....$750,000
1903.....1,250,000
1904.....1,900,000
1905..2,700,000

GENERAL OFFICES, TENTH FLOOR STATE LIFE BUILDING, INDIANAPOLIS.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.

6,561 per day in number of Policies issued.

$1,426,700.50 per day in New Insurance Written.

$114,060.67 per day in Payments to Policyholders and addition to Reserve.

$73,326.81 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$64,270,818.12
Bonds and Mortgages,	33,094,145.00
Real Estate,	16,806,932.86
Cash,	7,323,372.74
Loans to Policyholders,	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.

Reinsurance Fund and Special Reserves,	$112,351,323.00
All other Liabilities,	907,772.25
Capital and Surplus,	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security, $277,290,466.48

Number of Policies in Force, 8,029,906

Amount of Outstanding Insurance, $1,470,424,281.00

Amount of Insurance Issued in 1904, $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

	Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.
1884—	$2,915,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00—1884
1894—	18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00—1894
1904—	55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00—1904

In its Ordinary Department policies are issued for from $1,000 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
Net Surplus	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

German American Insurance Company New York

CAPITAL INCREASED TO

$1,500,000

ASSETS

$12,074,306

NET SURPLUS

$5,633,249

THERE IS

Always a Good Opportunity for a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents

32 NASSAU STREET, NEW YORK CITY

SAFETY FUND INSURANCE.

NIAGARA

Fire Insurance Company OF NEW YORK.

OFFICE: 135 & 137 BROADWAY.

PHENIX INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

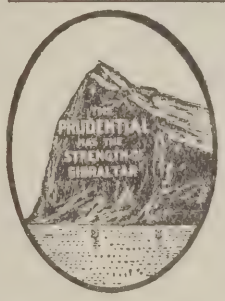
Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men
The Grand Prize was awarded the Prudential at the St. Louis Exposition.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$25,500,000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1904, $834,310

CHAS. LYMAN CASE, Manager.

61 PINE STREET, - - - - - NEW YORK.

AGENTS WANTED

BY

The Manhattan Life

OF NEW YORK

Exclusive Territory
Liberal Contracts

STRENGTH
SECURITY
SOLIDITY

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y

Telephone: 3894 John.

FORTY-FOURTH YEAR.

THE
United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

The Mutual Benefit
LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905,	$93,237,790.27
LIABILITIES,	85,918,227.30
SURPLUS,	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

THE AMERICAN FIRE INSURANCE COMPANY.

OFFICE COMPANY'S BUILDING. *308 and 310 Walnut Street, Philadelphia.*

CASH CAPITAL,	$500,000.00
Reserve for Reinsurance and all other claims,	1,978,814.57
Surplus over all Liabilities,	354,025.78

TOTAL ASSETS, JAN. 1, 1904, $2,832,840.35.

THOS. H. MONTGOMERY, *President.*
JOHN H. PACKARD, JR., *Vice-Pres. and Sec'y.*
WM. F. WILLIAMS, *Treas. and Asst. Sec'y.*
WM. B. KELLY, *Gen'l Mgr.*

DIRECTORS.

Thomas H. Montgomery.	Charles S. Whelen.	Edward Lowber Welsh.
Israel Morris.	Edward F. Beale.	Archibald R. Montgomery.
Joseph E. Gillingham.	John S. Gerhard.	John H. Packard, Jr.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Sec'y.

Agencies in all the principal cities of the United States.

"SAFE AS A NATIONAL BANK NOTE."

The Inter-State Life
ASSURANCE COMPANY,

INDIANAPOLIS, IND.

CHARLES A. SUDLOW, President. F. P. DAVENPORT, Secretary

EASTERN DEPARTMENT: 621 Walnut Street, PHILADELPHIA.
H. E. ROBERTS, Second Vice-President.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

BRITISH AMERICA ASSURANCE CO. INCORPORATED 1833.

FIRE AND MARINE. HEAD OFFICE—TORONTO, CANADA.

UNITED STATES BRANCH.

JANUARY 1, 1905.

Assets	$1,428,610.75
Liabilities	1,030,923.14
Net Surplus	$397,687.61

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.

North British & Mercantile
INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

78 WILLIAM STREET,

NEW YORK CITY.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488,98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,
232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President — EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. — BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. — T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

Commercial Union Assurance Co.
LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York.

National Life Insurance Co.
OF VERMONT.

Established in 1850. Operating in 37 States.

JOSEPH A. DE BOER, President. H. M. CUTLER, Treasurer.
JAMES T. PHELPS, Vice-Pres. DR. A. B. BISBEE, Med. Director.
JAMES B. ESTEE, 2d Vice-Pres. C. E. MOULTON, Actuary.
OSMAN D. CLARK, Secretary. F. A. HOWLAND, Counsel.

This Company held January 1, 1904, and gained during the past decade:

ASSETS	$28,363,797.97	Gain, 187 per cent.
SURPLUS	2,928,310.16	" 158 per cent.
INSURANCE	125,692,778.00	" 104 per cent.

Sells the Most Modern, Profit Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance.

JOHN F. MAKLEY, General Manager,
149 Broadway, New York City.

Head Office for the United States:

57 and 59
William Street,
NEW YORK.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

A. G. McIlwaine, Jr., Manager.

The Equitable

Life Assurance Society

Of the United States.

HENRY B. HYDE, FOUNDER.

Forty-fifth Annual Statement, for the Year Ending December 31, 1904.

ASSETS.

Bonds and Mortgages	$81,623,709.11
Real Estate in New York, including the Equitable Building	20,906,215.78
United States, State, City and Railroad Bonds and other investments (market value over cost, $19,991,643.00)	228,339,884.00
Loans secured by Bonds and Stocks (market value, $13,404,199.00)	10,805,000.00
Policy Loans	23,544,439.69
Real Estate outside of New York, including 14 office buildings	15,989,431.66
Cash in Banks and Trust Companies at interest	22,651,666.82
Balance due from agents	1,514,639.90
Interest and Rents. (Due $73,052.53, Accrued $559,456.25).	632,508.78
Premiums due and in process of collection	5,313,556.00
Deferred Premiums	2,631,969.00
Total Assets	**$413,953,020.74**

INCOME.

Premium Receipts	$62,643,836.74
Interest, Rents, etc.	16,432,859.21
Income	**$79,076,695.95**

DISBURSEMENTS.

Death Claims	$18,049,539.35
Endowments and deferred dividend policies	8,425,950.14
Annuities	980,349.94
Surrender Values	2,931,305.36
Dividends to Policyholders	6,001,902.51
Paid Policyholders	**$36,389,047.30**
Commissions, advertising, postage and exchange	7,900,285.73
All other disbursements	7,179,318.42
Real Estate Sinking Fund	500,000.00
Disbursements	**$51,968,651.45**

We hereby certify to the correctness of the above statement.

FRANCIS W. JACKSON, *Auditor.* H. R. COURSEN, *Assistant Auditor.* A. W. MAINE, *Associate Auditor.*

LIABILITIES.

Assurance Fund (or Reserve)	$327,738,358.00
All other Liabilities	5,420,393.53
Total Liabilities	**$333,158,751.53**
Surplus	**$80,794,269.21**

ASSURANCE.

INSTALMENT POLICIES STATED AT THEIR COMMUTED VALUES.

Outstanding Assurance	**$1,495,542,892.00**
New Assurance, less Assurance not taken	**$222,920,037.00**

We hereby certify to the correctness of the above statement. The Reserve as per the independent valuation of the N. Y. Insurance Department, is $326,523,126. For Superintendent's certificate see Detailed Statement.

J. G. VAN CISE, *Actuary.* ROB'T HENDERSON, *Assistant Actuary.* R. G. HANN, *Associate Actuary.*

We have examined the accounts and Assets of the Society, and certify to the correctness of the foregoing statement.

WM. A. WHEELOCK, V. P. SNYDER, C. LEDYARD BLAIR, CHARLES STEWART SMITH, MARCELLUS H. DODGE,
Special Committee of the Board of Directors.

JAMES W. ALEXANDER, *President.* JAMES H. HYDE, *Vice-President.*

GAGE E. TARBELL, *Second Vice Prest.* GEO. T. WILSON, *Third Vice-Prest.* WM. H. McINTYRE, *Fourth Vice-Prest.*
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H. R. WINTHROP, *Asst. Secretary.* M. MURRAY, *Cashier.* W. B. BREMNER, *Asst. Treasurer.*
S. C. BOLLING, *Superintendent of Agencies.*
W. R. BROSS, M. D. and ARTHUR PELL, M. D., *Medical Directors.*

DIRECTORS.

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LOUIS FITZGERALD, JOHN A. STEWART, LEVI P. MORTON, JACOB H. SCHIFF, E. H. HARRIMAN,
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H. C. DEMING, J. J. ASTOR, GEO. T. WILSON, HENRY C. FRICK, AUGUST BELMONT,
CORNELIUS N. BLISS, GAGE E. TARBELL, T. DEWITT CUYLER, WM. ALEXANDER, SIR WM. C. VAN HORNE,
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THOMAS D. JORDAN, WM. H. McINTYRE, H. C. HAARSTICK, C. LEDYARD BLAIR,

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

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THE Supreme Court of Wisconsin has rendered an opinion in the appealed case of the Equitable Life Assurance Company which sought to restrain the Commissioner of Insurance of that State from revoking its license for failing to distribute its surplus in accordance with Section 1952 of the Revised Statutes. The opinion is of great length and apparently exhaustive on all points at issue, and in favor of the company's contention in all of them, as will be seen in the full report which we print. Much discussion turns on the significance of the word "may" in the statute, which the court is clearly of the opinion is permissive, not mandatory. The conclusions of the court are summed up in these words: "There is nothing in the record to indicate that the plaintiff has failed to comply with any provision of the law of this State—much less that it has violated any law of this State—within the meaning of the statutes authorizing a revocation of such license to do business in this State." So far as any further litigation by the Insurance Commissioner is concerned the decision appears to be final, and there is no ground for appeal to the Federal court. But our legislative news columns witness that he is seeking to compass his purpose in the more effective way, and until the Legislature also decides, the controversy cannot be regarded as ended.

A WONDER! A State legislature has been in session six weeks and has just adjourned *sine die*, and during its sitting not an insurance bill of any kind was introduced. This Legislature—the first to quit business of the thirty-seven that assembled at the beginning of the year—was that of South Carolina. Surely it deserves praise, both for keeping its hand off of insurance and taking itself off so soon. The credit is the greater because prior to the session there had been much agitation in the State about the alleged increase in fire insurance rates as a consequence of the repeal last year of the anti-compact law. The South Eastern Tariff Association, which had suspended operations in South Carolina under the law, returned after its repeal and had been rerating the State. The process of rating is usually accompanied by misunderstanding and friction, but it has been clearly shown in the investigation of the complaints instituted by Comptroller General Jones that, while rates on some classes of risks have been advanced, on others they have been reduced, and that on the average there has been no material alteration. It is to be hoped that the beneficent results of the presence of the association will be impressed on the minds of the South Carolinians, and that they will never again be guilty of the folly of prohibiting underwriters from uniting to compare experiences and get the best results therefrom for insured and insurers alike.

THE cause of national supervision of insurance is fortunate in having an advocate so able as Mr. James M. Beck, but he is too good a lawyer not to discern the obstructions that beset the path to achievement. In his address to the Boston Life Underwriters, which we republish, he states the reasons why he hopes that the Supreme Court of the United States will take a broader view of insurance in its relation to commerce if the question is presented in the form of an act of Congress, and he finds them mainly in the decision which declared a lottery ticket to be an article of commerce. Mr. Beck makes the distinction, which has been made by others, that State, not Federal, suits are the props upon which the long line of decisions, from Paul and Virginia in 1868 to Nutting against the Commonwealth, rendered so late as 1901, rests. The court is yet to consider the constitutionality of a Federal claim to the right to regulate insurance. He is careful, however, to warn the optimists that even a favorable view of the powers of Congress in the matter cannot take from the States the power to tax insurance corporations, which is the most onerous of the burdens of State supervision. Similarly regulations to protect the public against unsafe and fraudulent insurance companies would continue. It seems to us that this would imply the right to examine companies to ascertain their character, and finally the assumption of supervision by the general Government would resolve itself into practically an additional bureau of control, not a substitute for the existing fifty bureaus. Is not the whole discussion of the possibility of national supervision as the result of an act of Congress approved by the Supreme Court, academical? What reason is there to suppose that the representatives of the States in Congress will ever vote away the rights pertaining to supervision which the States have exercised since their foundation? Will the States ever give up what they possess or permit their representatives to do so? And how can there be an act of Congress declaring insurance interstate commerce under these conditions?

THE Connecticut fire insurance report is the first published this year, and from it we obtain our first knowledge of aggregate fire insurance results in 1904. The year was one of great conflagrations and heavy insurance losses, and it would be natural to expect a large debit in the account. But the increased earnings of the companies, both from their writings and invest-

ments, have served to put them, as a whole, in a better financial condition at the close of 1904 than they were at the beginning of the year. The Connecticut returns cover substantially those of all the important fire insurance companies in business in the United States. Numerically there were some twenty companies less in Connecticut than in New York, but the final figures of the two State reports will not differ materially. One hundred and twenty companies had assets December 31, 1903, of $335,111,579, and same date, 1904, of $353,916,114, an increase of $17,804,535 during the year. The liabilities, including capital and statutory deposits of foreign companies, were $224,137,216 in 1903 and $239,462,878 in 1904, an increase of $15,325,662. The surplus as to policyholders was $164,243,238 in 1903 and $168,522,110 in 1904, an increase in surplus in the year of $4,278,872. Fire premiums were $170,080,310 in 1903 and $187,985,218 in 1904, an increase of $17,904,908. Total income was respectively $192,482,548 and $217,279,179, an increase of $24,796,631, and losses were respectively $87,302,135 and $120,765,251, an increase of $33,463,116. The percentage of losses incurred to premiums on risks written was 35.87 in 1903 and 45.53 in 1904. There was an increase in the amount of risks written in 1904 over 1903 of $2,616,602,912, and of risks in force at the end of the two years of $2,255,978,267. These stupendous figures proclaim the vastness of the business in the United States, and in comparison by years a progress unparalleled in the annals of fire underwriting.

Facts and Opinions.

An attempt to **oust Superintendent Drake,** of the District of Columbia Insurance Department, from office is being made both in Congress and before the District Commissioners by certain irregular concerns. A bill has been introduced in the House by Mr. Wachter, of Maryland, "by request," for the Judiciary Committee to examine into the conduct of the department and also into the "fitness, qualifications and competency" of the superintendent. The bill is probably instigated by the "Royal Benefit Society," of Washington, which complains to the District Commissioners that it is being persecuted by Superintendent Drake, and it promises to formulate charges with the view of having him removed from office. The following is the reply filed by the superintendent with the Commissioners:

I have the honor to direct your attention briefly to the facts concerning some of the statements made in the letter received by you, of this date, from the Royal Benefit Society of the District of Columbia.

In the first place it charges me with acting "spitefully," etc., and that it finds no record of my action being sustained by the Commissioners. If it is the intention of the society to convey the idea that my action in refusing a license was not sustained by the Commissioners, it is only necessary to say that the society was carefully and scientifically examined in 1902, when it was found to be operating in violation of the law. The case was finally referred to Hon. A. B. Duvall, corporation counsel, for opinion, and Henry E. Davis, attorney for the society, was granted hearings before Mr. Duvall, and he and the department submitted briefs to Mr. Duvall, who finally, in a written opinion, sustained the position of the department, and said opinion has been approved by the full Board of Commissioners.

In regard to my action in notifying the insurance commissioners of certain States of my refusal of license to this society, I have also to state that I am advised by Assistant Corporation Counsel Stevens that I not only acted within by duty in so advising them, but that it was my positive duty to do so.

Replying to that feature of the society's letter denying that they ever applied for a license to do business in the District of Columbia, I send you herewith verbatim copies of two such applications. Also copies of their letters asking for blanks, after refusal of license, which occurred on the 5th ultimo, under which to report for the calender year ending December 31, 1904, which requests were refused in accordance with copy of department's letter herewith.

It is evident that Superintendent Drake has been too vigilant to suit the little assessment concern.

The only new event in the **Equitable Life's mutualization** case this week is the issuance of a circular to the agency force of the company by President Alexander announcing the recent decision of the directors. The circular, dated February 18, is as follows:

GENTLEMEN—It is well for you to know that many of the rumors published in the newspapers about the recent Equitable controversy are incorrect. These rumors are the natural result of the publicity which has occurred, contrary to my wishes and my best efforts, in a matter which is of such great importance to so many different people. The most important fact, and the one which is of the greatest interest to the agency force, is that at its meeting on Thursday last the board of directors unanimously adopted the following resolutions:

Resolved, That in the opinion of the board the policyholders should be given the right to vote for directors, and that steps be taken for carrying this principle into effect at the earliest possible moment.

Resolved, That Valentine P. Snyder, James W. Alexander, James H. Hyde, Gage E. Tarbell, Cornelius N. Bliss, T. DeWitt Cuyler, Chauncey M. Depew be appointed a committee to arrange the details for carrying the step into execution, and in connection therewith the settlement of the allied question of indemnification of stockholders, and report to the board at a meeting to be called by the chairman for the purpose, at the request of the committee, not later, however, than Wednesday, April 12, 1905.

This committee will proceed with all reasonable expedition to solve the legal and practical questions involved in this great change. The present movement has been for the purpose of preserving through all future time the strength and prosperity of the society by putting the voting power for directors where it belongs, namely, in the beneficial owners of the company—the policyholders. All the officers of the society were re-elected at the same meeting of the board, and the business of the society will now be carried forward with greater vigor and determination than ever. The mutualization of the society removes the one great obstacle in the way of your constant progress, and should give a tremendous impulse to the business, and I congratulate you on the present situation and upon the opportunity to increase the popularity of the company by putting forth your best efforts. Wishing you all possible success, faithfully yours,

JAMES W. ALEXANDER, President.

The president of the **Germania Life** has written as follows to the managers, agents and solicitors of that company:

In connection with recent occurrences I would call your attention to the fact that some years ago, seeing the possibility of a change in the management which has been in control of our company since its organization, in case a majority of our stock should pass into hostile hands, I proposed to our board of directors an amendment to our charter conferring upon policyholders the right to vote on the same basis and in the same manner as stockholders. I quote from a circular issued by us at that time, which explains what was done:

"Our charter adopted at the organization of the company provided that stockholders should have one vote for each share of stock held, and such vote might be given in person or by proxy. It further provided that each policyholder paying $100 or more per annum in premiums should have one vote, but such vote must be given *in person and not by proxy.* After forty years of successful business our total assets today amount to $27,500,000. [Assets at the present time, $34,000,000.—ED.] Of this amount the capital stock remains at $200,000, while all of the great balance consists of accumulations from the contributions of policyholders, and is held for their security. Considering the fact of this great preponderance of the interest of policyholders as compared to that of stockholders, it seemed to us fair and proper that the policyholders should be given a larger representation in the management of the company. We have therefore recently amended our charter so that every person whose life is insured has the right to one vote for each even hundred dollars of reserve held by us on his policy; and such vote may be given *either in person or by proxy.*"

I would only add that the action of the board was unanimous, and that it was heartily approved and ratified by the stockholders. In consequence, the situation today is that the stockholders have a total of 4,000 votes, while the policyholders have many times that number.

The insurance companies carrying policies on the life of the late **J. Samuel McCue,** who was hanged at Charlottesville, Va., last week for wife murder, are taking various grounds

regarding the payment of the claims. The Fidelity Mutual Life, through its Southern manager, Mr. D. R. Midyette, has stated that the policy will be settled promptly upon receipt of notice from McCue's legal representatives. On the other hand, the Travelers of Hartford will contest the payment of their policy, it is said, on the ground that the contract did not contemplate any such contingency as a legal hanging, and that it would be against public policy to pay the claim, since the paying up of a life policy under such circumstances might tend to increase crime. The attitude of local representatives of other companies on the question is thus reported by the Richmond *Dispatch:*

T. A. Cary, of the Northwestern Mutual Life: "I do not know what my company will do. It is a matter for determination at the home office." Oscar Swineford, of the Equitable: "I know of nothing to indicate that the claim will not be paid." W. B. Freeman, of the New York Life: "We expect that our company will settle the policy when claim is made. We know of no reason why this will not be done." President Walker, of the Life Insurance Company of Virginia: "When the claim is asserted, it will be a matter for the consideration of our legal department. So far nothing has been determined." The only other life policy is in the Royal Arcanum, and a member of the order said that the question would have to be settled by the Grand Council.

Like the Russian fleet in the North Sea, **Lawson is seeing things** at night that are driving him wild. He conceived the idea that ex-Assistant Attorney General Beck was going to devote his valuable time and that of the Boston Life Underwriters' Association on Monday night to an attack on the Lawson "system," and therefore issued the following challenge to the expectant orator:

If you, the recognized mouthpiece of the Standard Oil, its leading orator, a man so thoroughly voiced in public declamation as to stand in the very front ranks of the great public speakers of this country, will meet me in Faneuil Hall, the cradle of American liberty and free speech—meet me, the layman who has never delivered a public address—and there debate the crimes and cowardly villainies of your employers within ten days of the assault you are to make upon me in the house of your friends tonight, I will pay over to the Journalistic League the sum of $5,000, and if you decide that it is best we will raise a further sum by charging admission to the hall. I think we could easily raise the entire fund of $50,000 (for a home for journalists) by such means. If you will bring along your talented colleague from the West, Mr. Eckels, so much the better, and, if you wish, I will consent to have every ticket in the hall sold to your friends, and I will ask no odds but to reply to what you say.

Mr. Beck in his address before the Life Underwriters in the evening made only the briefest allusion to Lawson, and took scarcely any notice of his challenge for advertising purposes.

A deathblow to one of the most impudent and iniquitous of the **wildcat species** which has been making its headquarters at Chicago was dealt by the Illinois Supreme Court on Wednesday in its decision in the appealed case of the North American insurance company of Chicago against the Insurance Superintendent. A gang of fraudulent fire insurance operators have transacted business from Chicago for alleged non-State companies organized in West Virginia and other easy States, claiming exemption from the Illinois laws on the ground that they wrote no business in the State. The Superintendent of Insurance began proceedings to break up these marauders in 1903, and they put up a stiff fight, although they were beaten in the lower court. The Appellate Court now decides that the superintendent may lawfully enjoin them from transacting any business in the State of Illinois. They will have to remove their desks and stenographers to the city of New York, where concerns like the Phœnix Underwriters and Hartford Fire Assurance appear to be able to flourish without molestation.

The Canadian twins, the British America Assurance and the Western Assurance companies of Toronto, not only did their full share in bearing the tremendous fire loss which occurred in their home city in April last, but were generous contributors to the Baltimore conflagration fund, besides paying the ordinary losses of the year. The financial conditions of these two companies will be found together in our advertising columns this week. The British America has assets of $1,428,611; the Western assets of $2,360,496. The surplus of the British America in the United States is $397,688, and the surplus of the Western in the United States is $731,149. The total reserves of the former are $1,030,923, and of the latter $1,629,347. The British America has paid on losses in the United States during the past thirty years (1874 to 1904) over $15,000,000, and the Western has paid out over $26,000,000 under the same circumstances. The high standing of these two companies among American insurers is too well known to need comment. Hon. Geo. A. Cox and Mr. J. J. Kenny are respectively president and vice president of both companies.

The **"Dangers in Sawdust"** is the theme of the latest bulletin issued by State Fire Marshal Davis, of Ohio, who says:

Sawdust is a dangerous incendiary much used to absorb moisture on barroom floors, to fill wooden spittoons in village stores and hotels, to deaden sound on tile floors and to take up grease and paint in warerooms in which they are sold. The least bit of grease, oily rag or the like, in sawdust, will bring about the rapid oxidation, known as spontaneous combustion, within a few hours if the sawdust is placed where there is no current of air; and clean sawdust may ignite from a fresh cigar stub or from a temperature of 180 Fahr. in a close atmosphere. Sawdust swept from the floor upon which linseed oil, varnish, lard oil, or kerosene has been spilled, or if mixed with tallow, will burn if thrown into any receptacle in which heat can accumulate. Sawmill fires are common from spontaneous combustion in sawdust in which oil from the machinery has been mixed. Sawdust should not be used in packing bottles containing chemicals. Sand should take its place as a receiver for drippings of oil. Many of the losses of ice houses by fire depend upon grease from the sawmill machinery having been mixed with the sawdust which is used to protect the ice from external warmth. Sawdust kept in a cellar will, if grease gets into it, start a slow combustion which will roast out a volume of gas which will explode from the tiniest spark and set the house ablaze. Fires from such causes are usually charged to "heat explosion."

The questions being considered at the meeting of the executive officers and committeemen of the **National Association of Local Fire Insurance Agents** at Pittsburgh today, according to the notice sent out by Secretary Putnam, are the following:

1. What further steps shall be taken to promote co-operation with the companies on overhead writing, rate make, sole agencies and State legislation?

2. Shall the National Association stand with sole agency companies in assisting them to check further dual agency representation by means of annexes?

3. Shall local agents' boards be made the unit of organization in the national and State associations?

4. What position shall the National Association take relative to National supervision?

5. What further steps shall be taken to protect agents and companies against the illegitimate competition of non-resident brokers?

Other questions relative to association work may be brought up at this conference.

The **conflagration in Indianapolis** on Sunday caused a property loss of over $1,000,000 with an insurance loss of over $600,000. This is interesting enough of itself, but is especially so to Western managers in view of the recent revolt among the Indianapolis agents against the conflagration charge, and the claim made by them and the business men that the fire protection was adequate and that a conflagration was practically impossible. The revolt was quelled, but the improvements called for by the charges have not been made. The fire spread in the wholesale millinery house in which it started through unprotected floor openings, and then went through the entire block, even through sprinklered risks and

fire walls. The heaviest loss was on the Kiefer Drug Company, which was a sprinklered risk with an excellent equipment. A number of the companies suffered total losses on unusually large lines.

That terror of underwriters, the **Hoosac Tunnel wharf property,** in the Charlestown district of **Boston,** was the scene of a disastrous fire, which broke out early Tuesday morning in a bale of hay on the Leyland steamer Philadelphia, and caused losses aggregating possibly a million or more. Piers 4 and 5 and contents were destroyed, the Philadelphia badly and the Furness steamer Daltonhall slightly damaged. The loss of the Boston and Maine Railroad is estimated at $250,000, fully insured. It will take some time to fix the partition of the losses among the fire and the marine insurance companies concerned. There was a $200,000 fire in Pier 5 on Friday, November 18 last; the Mystic elevator in the same vicinity was burned July 5, with a loss of half a million, and seven years ago, on April 17, 1898, the old elevator with 350,000 bushels of grain was destroyed by fire following an explosion.

The **Tennessee legislative committee,** which is engaged in investigating fire insurance rates in that State is getting a good deal of valuable information. Ex-Insurance Commissioner Craig was before the commission last week, and gave the following evidence:

The fire insurance companies were in a peculiar condition. Tennessee stands at the bottom of the ladder, having to pay higher rates than any other State but one. There is a cause. For fifteen years the Legislature had endeavored to deal with the question by legislation directed against the companies. That was a mistake. The insurance companies doing business in Tennessee for twenty years have not made a cent. They are therefore just in charging the rates. No man can give the fire waste caused by incendiarism except as an opinion. He believed the lowest estimate would place 33 1-3 per cent. as the loss due to incendiarism. If that is true and not corrected, we will never get better rates nor be entitled to them. He believed nobody present could name a single case in which one person had gone to the penitentiary for arson.

The **Conservative Life** insurance company of Los Angeles, Cal., during 1904 had a very successful year, and in its home State its name leads all the rest, with insurance written of $9,043,423, and premium income for that State alone of $384,-126. That Vice President Wilbur S. Tupper has great confidence in the future of his sturdy youngster is found in the following statement from the January number of the *Conservative News:*

During the past we have been handicapped by being obliged to organize, equip offices, train men and write business at the same time. Many of our field men were first raw recruits, rather than trained veterans. Our policy plans and agency methods were new and strange to them. Their great victories were won under difficulties that are now overcome. With our organization fairly complete in California, we can get results easier and in greater volume than before. We are now free to energize on the production of business. Watch results for 1905.

We have received a copy of the first issue of **"Northwest Insurance,"** to be published monthly hereafter at St. Paul, Minn., by Mr. James C. Matchitt, who has been editor of the insurance department of a Minnesota daily and a correspondent for various insurance papers. Mr. Matchitt's typographical arrangement could be improved, but there is time for that. He exhibits a sensitive nose for news and knows what real insurance news is, and his paper, therefore, has much interesting and timely Northwest insurance stuff in it, and we think that it will succeed. It is certainly of more value than the majority of first issues that we have seen. There is a portrait of Mr. O'Brien, the new insurance commissioner. He is not as handsome as Mr. Dearth, but we cannot all be handsome. We can be good.

The Western managers are to meet at the Union League Club, Chicago, on March 1 to receive the report of committees appointed some weeks ago to devise plans for **more economical adjustment of losses** and for the establishment of a salvage wrecking bureau in Chicago. It appears that the company officers in the East are opposed to allowing any share in the new company to the Gans salvage wrecking agency, the proposition having been made that its plant and good will should be taken over in exchange for $30,000 worth of the new stock. It is understood that the company officers want the Western contingent to organize and own a company, and then buy the Gans agency out on the basis of the competitive conditions that would result after it was in the field.

In answer to the legislative question, "Has the State any legal right to the whole or any part of the fees paid during the administration of **former Insurance Commissioner Dearth** by life insurance companies for the valuation of their policies, under the provisions of Chapter 175, Laws of 1895, and Chapter 178, Laws of 1901"? Attorney General Young renders an opinion that it has not. He says: "There is no provision or intimation in the law that fees earned by an actuary shall be paid into the treasury." The same reply is made to the question whether the fees paid by companies for abstracts of their annual statements for publication belong to the State treasury. The Legislature has bills before it now to remedy these defects in the statutes.

The annual statement of the **Union Central Life** insurance company of Cincinnati, Ohio, published in our columns this week, shows the following good gains in the year past: In assets, $5,096,594.62; in income, $1,209,174.82; in premium receipts, $963,516.60; in interest receipts, $249,760.54; in surplus, $1,037,190.16; in number of policies 10,561; in amount of insurance, $19,614,729. The company now has assets of $43,-891,738, and insurance in force $216,665,628. The amount held for the benefit of policyholders is $41,111,458, and $70,628,336 has been paid to them since the company was organized. John M. Pattison is president and E. P. Marshall secretary. William A. Fricke is New York general agent, at 135 Broadway.

The Supreme Court of the United States on Monday decided the case of the Scottish Union and National insurance company vs. the treasurer of Franklin County, Ohio, involving the Ohio law **requiring foreign insurance companies to deposit a part of their capital in Ohio** in order to do business there, and the right of the State to impose a tax on property thus deposited. In this case $100,000 worth of municipal bonds were deposited, and these were displaced by Government bonds. The court held that the bonds were in the nature of capital and were not exempt from taxation. On these points the finding of the lower court was affirmed, but the judgment was reversed on a technicality.

The **Kansas Insurance Superintendent** is indignant because the Legislature is turning down his pet bills. He says, according to the Kansas City *Times:*

If this business keeps up there will be more reformers in Kansas than ever. These bills were recommended in my report and in the message of the Governor, because my experience has shown them to be the things the State needs. There will be a sorry looking lot of statesmen when I make my next report, because I intend to add a chapter in which I will put the text of the bills I recommend for passage and will show to the people where the measures would have benefited them. I will also print the names of the men who have voted to kill my measures and reports from the companies

in regard to the methods employed to kill them. I cannot collect money from outside insurance companies if the measures now pending are not allowed to pass.

Another meeting of the **Scandinavian Mutual Life Association of Chicago** will have to be held to complete the transfer of the business to the Scandia Mutual Life insurance company and from an assessment to a legal reserve basis. This is because the new Attorney General of Illinois refuses to recognize a ruling made by his predecessor. The transfer of this company was thought to be one of the most equitable ever made, as a stock company was organized to comply with the law, and then the mutual members absorbed this stock and retired it; leaving them in control of the company, but on the legal reserve basis.

There having been sensational reports in the yellows that the **New York Life** was instigating and promoting internal dissensions in the Equitable Life, the following official statement was given out at the offices of the New York Life this week:

The report that the New York Life insurance company or any of its officers in any way instigated or had any part in the dissensions in the Equitable Life Assurance Society is almost too silly to warrant denial. On behalf of this company it may be said that any such statement is a deliberate and willful falsehood. The New York Life insurance company neither directly nor indirectly was a party to anything that has occurred in the Equitable Life Assurance Society.

The final report of the **receiver of the Old Wayne Mutual** Life Association of Indianapolis has been filed, and shows a deficit of $147,269.97, to which is added $11,865, which the receiver says was taken from the mortuary fund, instead of the expense fund, for the payment of expenses. Claims were allowed by the receiver amounting to $273,419.87, and claims amounting to $79,829.45 were disallowed. The receiver has asked for further instructions from the court, and says that should judgment be allowed in suits that are now pending the directors probably would not be able to pay them.

The thirty-seventh annual statement of the **Michigan Mutual Life** insurance company, to be found elsewhere in this issue, gives the company on December 31, 1904, assets of $8,893,759, a reserve fund of $8,401,645, and a surplus of $462,389. Last year the company increased its assets $538,440. The Michigan Mutual has paid $12,107,495 to its policyholders since organization. The president is O. R. Looker, C. A. Kent is first vice president, Hoyt Post second vice president, and A. F. Moore secretary. J. D. Pickard is general agent for New York, with offices in the Dun Building.

The jury in the **case of Dr. T. Jones Watson,** charged with killing his wife to collect her life insurance, at New London, Mo., has rendered a verdict of not guilty after a long trial. It was said that Mrs. Watson was killed in a runaway accident, but it was found afterward that she had been poisoned, and the insurance company claimed that the runaway accident was arranged to furnish a plausible cause of death. The circumstances of Dr. Watson justified the charge, but he was cleared on the ground that medical experts contradicted each other as to the poison.

The merchants of Little Rock, Ark., in view of the precarious situation that confronts them in the matter of fire insurance, this week organized the Retail Merchants Fire Insurance Association of Arkansas. It is made up of members of the Retail Grocers' and Merchants' Association. Mr. Charles J. Cramer was elected president. Other proposed companies are the Olympic Fire and Marine of Fort Smith, with $50,000 "subscribed" capital, and the Citizens Fire of Clarksville, which has $100,000 subscribed.

We have been favored with the 1905 edition of the **Standard Fire Insurance Tables,** issued from 60 India street, Boston, which contains all the essential statistics relating to that branch of the business for ten years back, of both American and foreign companies. Included in the convenient morocco bound book are a list of the officials having supervision of insurance, the resident agents' law in various States, short rate tables, and other valuable matter in a form easily available for instant reference.

In the preliminary statement of the **Northwestern Mutual Life,** which was sent out about the first of the year, there was a clerical error in computing the total admitted assets which was discovered after the statement was in print. This has now been corrected, and the company's assets, as shown by the report to the State department, are $1,000,000 more than the amount named in the preliminary statement. This gives the Northwestern Mutual $1,000,000 more surplus than was at first credited.

The United States branch of the **London and Lancashire Fire,** which has been doing business in this country since 1879, is to be removed from New York to Hartford as soon as the contractors turn over the new building of the Orient, which is owned by the English company, says the Hartford *Times*. Both the Orient and the manager and clerks of the London and Lancashire expect to be quartered in the new building by July or August.

A Buffalo assemblyman hitherto unknown to general fame, but known in his assembly district as **Mr. Tenjost,** has introduced a bill at Albany to prohibit fire insurance companies from charging any greater premium than is now asked without the consent of the Insurance Superintendent. But so rich an octopus as the Insurance Trust is none too good to buy up insurance superintendents, and where are you then, Mr. Tenjost?

The **American of Newark** has entered the Southern field for business, and has appointed Edwin G. Siebels, of Columbia, manager of that department, which will include North Carolina, South Carolina, Georgia, Alabama and Florida. The company has also appointed as general agents for the Southwestern department Messrs. Trezevant & Cochran, of Dallas, Tex.

Complaints of February losses are unusually loud in the West, a number of the companies reporting that up to February 20 their loss ratios ran between 100 and 150 per cent. There were a number of large losses, like those in Chicago and Indianapolis, and an unusual number of small residence losses, due to the zero weather, which counted up very fast.

The New York metropolitan department of the **Royal Exchange** Assurance Company of London has been placed in charge of Willard S. Brown, and the company will resume writing in the city of New York next Monday. The appointment of a permanent United States manager will probably be made next month.

The Lewisburg (Tenn.) *Tribune* says that the **"Insurance Trust** makes the rates and puts the value on one's property

regardless of the voice or opinion of the insured, and we must take it or let it alone." The obvious remedy for this is to let the insured make the price and force the insurer to take it.

The seventh annual meeting and dinner of the **Once a Year Club** was distinguished by the largest attendance in the history of this lively and progressive institution. The festivities were held at Delmonico's from 7 to — o'clock Thursday night. Notwithstanding the customary kick from secret aspirants, the old ticket was re-elected by an overwhelming majority.

A Little Rock special to the *Journal of Commerce* says that State Auditor Moore has **denied licenses to** do business in Arkansas to several **mutual insurance companies** outside the State on the ground that the statutes do not recognize their right to do so. The mutuals threaten to mandamus him.

Apropos of **Dr. Osler's suggestion** that sexagenarians be put to death by anæsthesia, busy underwriters who have reached that prime of their intellectual forces may be provoked to say that it would have been well if certain of their floundering juniors had been chloroformed in their cradles.

The **Frankfort Marine, Accident and Plate Glass** insurance company which has just entered Georgia, has appointed Mr. Fair Dodd, of Atlanta, general agent for that State. The Frankfort has also applied for admission to Maine.

It Is Not the Same.—Duffer—Why that man told me he was an insurance agent and I find he is nothing but a gambler. Puffer—What's the difference? Don't they both take risks?—*Indianapolis News.*

At the annual meeting of the **Indiana Association of Life Underwriters** John J. Price was elected president, J. R. King vice president, C. A. McAuley secretary, and Frank W. Ollin treasurer.

It is announced that the **Southern Fire of Lynchburg,** Va., recently chartered, will be in shape to begin business on March 1. Mr. Holmes Cummins is secretary and general manager.

The **fire insurance premiums taken in Boston** the second half of the year 1904 were $1,689,866, making $3,629,649 for the whole year. The premium receipts in 1903 were $2,225,687.

The plan of the **Travelers** to reorganize its State agencies in the South by placing them on the basis of **branch offices** under salaried managers is going forward rapidly.

On Thursday night of last week the board of aldermen of **Providence,** R. I., appropriated $100,000 for improvements in the **fire department** of that city.

The **Imperial Fire,** recently chartered at Tazewell, Va., has its organization plans well under way. It is proposed to move the home office to Richmond.

The **Union of London** has been admitted to Mississippi, and Gilbert Hay, of Waco, Tex., has been appointed general agent.

The annual dinner of the **New Jersey Life Underwriters' Association** will be held in Newark on March 1, 1905.

Personal.

AGENCY APPOINTMENTS.

Albany, of Albany, N. Y.: Stokes & Packard, Philadelphia, Pa., and vicinity.

Calumet of Chicago, Odiorne, Shubert & Swan, sole agents for Philadelphia, Pa., and vicinity.

Metropolitan Plate Glass and Casualty: J. L. Riley & Co., Atlanta, general agents for Georgia and Alabama.

National Union Fire: J. F. Magee, special agent in the mountain district.

New York Underwriters' Agency: F. W. Buckner, special agent for South Texas.

North German of New York: George W. Taylor, Boston, general agent for New England.

Pelican: Adam Archibald, Boston, Mass.

Providence, Washington: A. M. Powrie, special agent in Michigan and Indiana.

Traders of Chicago: Otis A. Murphey, special agent at Atlanta, Ga., succeeding John T. Rowland, resigned.

Mr. A. H. Howes, stamp clerk at Danbury, Conn., was appointed an inspector of the New England Insurance Exchange last Saturday, in place of A. H. Bronson, who has entered the service of the Eagle Fire as special agent for New England. An inspectorship was also conferred upon Mr. W. L. Denning, employed in the home office of the Phoenix of Hartford. The preparation of a memorial on the late Joseph C. Hilliard was entrusted to a committee comprising Messrs. Whittemore, Leighton and Adams.

Dr. Israel T. Hunt, for the past thirty-five years in the service of the National Life of Vermont, achieving great distinction as the medical examiner for its State agency at Boston, under James T. Phelps & Co., died Thursday of last week, in consequence of an accident experienced the Monday before. He was sixty-four years old and leaves a widow and two daughters.

Mr. Charles E. Wortham, Jr., of Richmond, has been appointed State agent of the Springfield Fire and Marine for Virginia, which State the company will enter March 1. Mr. Wortham was local agent formerly at Rochester, N. Y., for the Liverpool and London and Globe, and later general agent and recently special agent of the same company at Richmond.

Mr. W. H. Merrill, Jr., secretary of the Underwriters' Laboratories, is in the East making his annual tour of inspection of the factories making fire appliances approved by the Laboratories. Their contracts with the organization provide for an annual visit to show whether their regular output is being kept up to the standard of the samples submitted for test.

United States Manager George E. Kendall, of the National Assurance Company of Ireland, resigned this week and was succeeded by J. Campbell Heywood, of Philadelphia, who is the senior special agent of the company. General Manager C. Chevalier Cream will sail for the home office on Wednesday.

Mr. Washington Irving, lately appointed Pacific Coast manager of the Phoenix Assurance, who has been in New York for some time adjusting his business and personal affairs, left this week for his new home in San Francisco.

Major T. L. Kimball, general agent of the Washington Life at St. Louis for the past thirty-four years, has resigned, taking effect April 1. J. W. Popham, general agent of the Washington at Sedalia, Mo., has also resigned.

Messrs. Moore, Janes, Lyman and Herrick have resigned the Chicago agency of the Caledonian in accordance with arrangements made some weeks ago, and George Herrmann & Co. are now writing for the company.

Col. Charles S. Arnal, one of the best known insurance men in the South and a distinguished citizen of Atlanta, committed suicide on Thursday at his residence in that city by shooting. No reason is known for the act.

Mr. John F. Lewis has resigned as vice president of the Insurance Company of the State of Pennsylvania, and Mr. George R. Packard, of the insurance firm of Stokes & Packard, has been elected to succeed him.

Mr. A. M. Powrie, assistant State agent of the New York Underwriters for Michigan, is to become special agent of the Providence Washington in Michigan and Indiana, with headquarters in West Bay City.

Mr. Otis A. Murphey, formerly with the London Assurance and recently a local agent, has been appointed special agent of the Traders of Chicago at Atlanta, succeeding John T. Rowland, resigned.

Mr. Sidney Dillon Ripley, treasurer and a director of the Equitable Life and brother-in-law of Vice President James H. Hyde, died from an operation for appendicitis yesterday morning.

Mr. E. D. Dyar, president of the Merchants' Bank and the Winona Fire of Winona, Minn., died there of heart failure February 22. He was sixty-one years of age and a native of Maine.

Mr. R. A. Redding, of the Atlanta, Ga., agency firm of A. L. Waldo & Co., has been appointed special agent of the Phenix of Brooklyn for Georgia.

Mr. David B. Phelps, an insurance agent of Hebron, Neb., died of Bright's disease February 12 at the University Hospital, Kansas City, Mo.

Mr. C. L. Neal, a Boston insurance broker, has been fined $100 for placing Massachusetts business through a non-resident agent.

Mr. R. B. Lindsey, a well known insurance agent of Jackson, Tenn., died there February 8, aged thirty-five years.

Mr. Mathias Buchman, of the Cincinnati, Ohio, insurance firm of Buchman, Parsons & Co., died February 17.

Mr. A. C. Heltzell has resigned as special agent of the Northern in the mountain field.

FEDERAL SUPERVISION OF INSURANCE.

James M. Beck, Special Counsel of the Mutual Life, Before the Boston Life Underwriters' Association.

With few exceptions, the men most conspicuously identified with this beneficent form of commercial enterprise are agreed that the growth of insurance is restricted, its burdens increased and its freedom impaired by its absolute subjection under existing conditions to the arbitrary and at times oppressive will of fifty different insurance departments. It has been estimated that the life insurance companies of America have paid in the last forty years to the various States taxes to the amount of $100,000,000, and that at the present time the annual charge for the privilege of engaging in this great beneficent enterprise amounts to $9,000,000. Such a tax would be onerous and oppressive if these institutions were merely money making enterprises, but as a distinguished Senator from Massachusetts, Charles Sumner, once pointed out upon the floor of Congress, insurance is not "a money making but a money saving business"; and these enormous license taxes are, therefore, direct taxes upon thrift.

Lord Bacon said that a wife and children were the hostages which a man gave to fortune, and if he were living today he could add that insurance is the method whereby these hostages are reclaimed from the hazard of ill health or death. Life insurance, therefore, if not strictly philanthropic is at least beneficent, and to tax insurance funds and even the privilege of engaging in it is to offend every sound principle of taxation.

To state these facts to an audience of insurance men is wasteful and ridiculous excess. The evil is recognized, and the real question is to what extent, if any, can the Federal Government substitute its regulation for that of the several States.

Primarily and chiefly the question is one of Constitutional power. We live under a dual form of government, created by a Constitution which, with words of marvelous simplicity and wisdom, seeks to mark the boundaries between the respective sovereignties. The Constitution as we know it today inevitably conveys an ampler meaning than that which it conveyed to those who framed it, and has undergone and is necessarily undergoing from generation to generation a constant evolution.

No clause of the Constitution has had such a continuous evolution as the commerce clause of the Constitution. This was inevitable. A few years before its adoption a Scotch mechanic had noted with the discerning eye of genius the simple fact that accumulated steam in a kettle had power to lift the lid, and his clear insight was destined to "life the gates of the centuries from their hinges" and turn the stream of human destiny into a new channel. To this followed with ever accelerating speed other distance annihilating inventions, until today the railroads are the arteries through which the life blood of communication courses, and the telegraph wires are the sensitive nerves of our highly complex social organization.

This facility for inter-communication between the States created conditions of which the fathers of the Republic never dreamed, and has caused a corresponding expansion of the commercial power of the Federal Government to adapt it to the needs of the American people.

Thus, it has been held that the mere transmission of a message over telegraph wires is commerce, and that the passage of a citizen over an interstate bridge is commerce equally with the shipment of wheat or cotton to Liverpool.

The question at once suggests itself that if the mere transmission of a telegraph message from State to State is interstate commerce, why the vast system of inter-communication between the citizens of the various States to which any one great insurance company gives rise should not equally be such commercial intercourse. Take, for example, the Mutual Life insurance company. It is a corporation of the State of New York, but its policyholders are situated in every State and number over 500,000. From these policyholders a constant stream of money is flowing to the home office and returning again from the centre office to the remotest corner of the land in the form of beneficial payments. That such transfer of money is generally effected by an exchange of credits should not affect the question. This vast system of intercommunication between the peoples of the various States, carrying with it the burden of pecuniary obligation and the receipt of pecuniary benefit, would seem to be as much commercial intercourse as interstate sales of wheat or coal, and yet it must be admitted that the Supreme Court, in decisions from Paul and Virginia, decided in 1868, to Nutting vs. the Commonwealth, decided in 1901, has persistently held that such form of commercial intercourse is not interstate commerce within the meaning of the Constitution, and that it is, therefore, subject to the arbitrary and despotic power of every State. The force of these cases it is idle to gainsay.

If the court, having due regard to the enormous growth of insurance and the fact that it unquestionably is a most important part of the commercial intercourse of the American people, shall see fit hereafter to modify or abrogate the doctrine of the insurance cases, such action will not be without precedent, for this greatest tribunal in the world has never hesitated to admit in subsequent decisions its occasional errors of judgment.

There are some reasons for believing that this may come to pass. How soon it is impossible to say. The court has already modified the doctrine in two essential respects. In the case of Allgeyer vs. the State of Louisiana the court held that a Louisiana statute for bidding a citizen to "do any act to effect insurance on property in this State" was unconstitutional and a violation of the Fourteenth Amendment in so far as it prevented him from carrying out a contract of marine insurance made in another State from forwarding from Louisiana a letter of advice. It held that the statute deprived the citizen of his property without "due process of law" because it prohibits an act which, under the Federal Constitution, the defendants had a right to perform."

It is thus established that each citizen of the United States has a right to make a contract outside of the State with a foreign insurance company and carry it out by an appropriate act, even if done within his State. If, therefore, insurance companies could avoid the necessity of establishing agencies in States for the solicitation or effecting of insurance, the right of each citizen to make a contract with them, to transmit premiums and receive his beneficial payments, is apparently established as an inalienable right, which a State cannot destroy. While such right may be no material advance toward the solution of the question, it is some modification of the arbitrary power of a State over its citizens with respect to the liberty of contract.

A more important modification was the lottery cases, which I had the honor to argue in the Supreme Court. In this case a

Federal statute had been passed forbidding the transfer from State to State of any lottery ticket, and the question arose whether a lottery ticket could be an article of commerce. I contended that in the evolution of human society many paper contracts, not intrinsically valuable, had acquired by commercial usage a distinct value, and become articles of commerce. Thus, a bond is but a mere evidence of an agreement to pay, and yet bonds are as freely passed by sale and delivery as bushels of wheat. The question was one of vast importance, because the Supreme Court had never held that a mere contractual obligation could be an article of commerce, and so impressed were the court with the importance of the case that it was argued three times before the final decision. The strongest cases cited against the position of the Government were the so called "Insurance Cases," and it was strongly argued that if a policy of insurance, a known instrumentality of commerce, not forbidden by the police laws of the State, importing a promise to pay upon a contingency which was sure to happen, was not an article of commerce, then a lottery ticket, criminal in character, promising to pay upon a contingency which might never happen, could not be such an article. The court finally held that a lottery ticket was an article of commerce, and, as such, within the Federal power in the event of interstate transfer, and an immense step forward was taken in applying the principles of our Constitution to the marvelous economic changes which steam, electricity, and the printing press have wrought.

It is to be noted that in the lottery cases a Federal, and not a State, statute was under consideration. This suggests the thought that if Congress shall pass an act for the Federal regulation of insurance, and the Supreme Court should have occasion to consider its constitutionality, the question of the Federal power to regulate insurance would come before that tribunal in a different manner than in any preceding case.

If the court shall reach the conclusion required by our economic development and justified by their decision in the lottery cases, that transactions in insurance are forms of interstate commerce, then they might distinguish the insurance cases by holding that as long as Congress did not see fit to regulate the transaction of interstate insurance business, the States were authorized to protect their citizens from fraud by local supervision. To reach this conclusion, however, the court must disregard some expressions in prior insurance cases that insurance was not commerce and that a policy of insurance was not a subject of commerce, and, as has been stated, the lottery cases are an indication that the court has so far amplified its conception of a commercial commodity that a written obligation for the payment of money, even though dependent upon a contingency, may be an article of commerce.

This leads me to say that even if the court should sustain a Federal insurance law it does not follow that all State supervision would be necessarily superseded. A State would still retain absolute control of corporations which it had formed, and all the transactions of insurance which were effected wholly within the State. Similarly, its power to tax the property of foreign insurance companies having a situs within the State and incorporated with the mass of its property, is likewise clear. Similarly reasonable police regulations, designed to protect the citizens of a State from fraudulent companies and not directly restraining legitimate insurance, could be made. If the Federal power were established it would simply relieve the insurance companies from such taxes or other regulations as directly obstructed and impeded legitimate transactions in insurance. The great advantage gained would be that it will no longer be a privilege but a right to engage in this form of interstate commerce, and the day of oppressive and discriminating restrictions on the part of the State would be ended.

As to the ultimate triumph of Federal supervision, I am neither an optimist nor a pessimist. I cannot join with those who believe in the certainty of its establishment, nor with those who feel that we are in a blind alley of hopeless Federal impotence as to a matter clearly national in its scope. As I have said, the constitutional development in this country has been an evolution, and following the Darwinian analogy the evolution proceeds by slow adaptation of the living organism to an ever changing environment. What the economic necessities of the country imperatively require in the matter of our system of laws they will ultimately receive.

The President's last annual message to Congress, recommending Federal supervision of insurance, was, I believe, the entering wedge of Federal power. It placed, with the high authority of his office, the seal of national character upon the business of insurance, and should Congress see fit to follow his wise recommendation, both the executive and the legislative branches of the Government will have formally recognized that the business that you represent does form a large and important part of interstate commerce. In such event the Supreme Court cannot but give respectful consideration to this declaration of two coordinate branches of the Government.

"If 'twere done, when 'tis done, then 'twere well done if 'twere done quickly." The interest of 17,000,000 policyholders must not be forever subjected to the arbitrary caprice of State officials. Many of these, as for example in Massachusetts, are most excellent and competent men, and the wise and conservative administration of their departments goes far to make any Federal supervision unnecessary; but others, "dressed in a little brief authority," with narrow and unfair ideas as to the nature of insurance, rival each other in burdening the insurance companies, and therefore their policyholders, with restrictions so arbitrary and despotic as to shock the natural sense of justice. In this, as in all public questions, the last appeal must be to public opinion, the supreme court of last resort, in a democracy, and we, to whom the interests of policyholders are committed and who represent for the time being these great instrumentalities of civilization, must unceasingly appeal for a redress of our grievances to the justice and wisdom of the American people.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Connecticut.

HARTFORD, Conn., February 18.—There is a bill before the Legislature which provides that surety companies before beginning business in Connecticut shall show $250,000 capital for the sole protection of fidelity and surety business. Another bill provides for the disapproval of any fire insurance company having less than $100,000 cash capital. Another bill amends the act regarding the reserve fund of surety companies by requiring the reserve fund for reinsurance to amount to 50 per cent. of the gross premiums received for business in force. The committee is likely to be busy next Thursday, all these matters having been assigned for a hearing that afternoon.

HARTFORD, Conn., February 23.—Although the legislative Committee on Insurance did not take up at the capitol today all the matters assigned for hearings it had a pretty busy afternoon. After a conference between counsel in the matter, the hearing was postponed on the bill which provides that a life policy for the benefit of a married woman or assigned to her in trust shall inure to her benefit independent of her husband or his creditors, except that any premium paid in fraud of creditors shall inure to them. Lawyer Warren B. Johnson, of Windsor Locks, who is opposed to the bill, said that it emanated from the office of Lewis Sperry, who is chief counsel for the Ætna Life insurance company. It was presented by Senator McGovern, who is a clerk in the office of the Ætna Life. Mr. Sperry is in Washington on business connected with the building of the new bridge across the Connecticut River from here to East Hartford. Senator-elect Bulkeley is president of the bridge commission, and the hearing on the insurance bill was postponed until Mr. Sperry returns and ex-Governor Bulkeley can appear.

Insurance Commissioner Upson and William H. Ely, of New Haven, appeared in favor of the bill which provides that secret and fraternal orders shall not employ paid agents to solicit business, except for organization of branches or the increase of membership. Corporations which limit certificate holders to a particular fraternity may pay members to secure other members, and any corporation may pay local collectors. Mr. Upson and Mr. Ely argued that secret societies operated on the principle that members were brothers and were carefully selected. If societies

gave money for the securing of members they departed from the fraternal spirit, and if they paid agents for securing new members they were at variance with their original feeling. Mr. Ely said that the bill was a copy of the Massachusetts law on the same subject.

Frank P. Tyler, of New Haven, supreme secretary of the Fraternal Benefit League, opposed the bill, and A. D. Rose, of Bridgeport, representing the Woodmen of the World, said that the bill was drafted more for the benefit of an old line insurance company than for any benevolent and secret society. A secret society would not pay out money to secure members unless it was necessary and members of secret societies are not so enthusiastic as they formerly were. All parties in interest agreed to carry the hearing over for another assignment.

There was a hearing before the Committee on Finance this afternoon on the petition of a big manufacturing firm of Bridgeport that the city of Bridgeport be allowed to issue $100,000 bonds for increasing the efficiency of the fire department. The bill was favored by A. H. Bullard, C. D. Wallace and Howard Knapp, of Bridgeport, the latter representing the Manufacturers' Association. Senators Paige, Brown and Doty and Representatives Lee and Reynolds agreed that if Bridgeport goes on bonding herself for schools and fire department she would soon be heavily burdened with debt. Mr. Paige suggested reducing the amount of the bond issue to $60,000. The board of aldermen of the city recently passed a resolution asking for $100,000 bonds for a better fire department, which was favored by Chief Mooney, of the fire department, but was vetoed by the mayor.

California.

SACRAMENTO, February 20.—Senate Bill No. 739, introduced by Senator Lukens and referred to Committee on Corporations, regulates the issuing of licenses to persons to procure surplus line policies of insurance on property in insurance companies not authorized to transact business in this State.

The following reports from the Committee on Insurance have been presented to the House:

MAJORITY REPORT.

Mr. Speaker—The undersigned—a majority of your Committee on Insurance and Insurance Laws, to whom was referred Assembly Bill No. 734, an act to prevent any combination, agreement, confederation, compact, or understanding, directly or indirectly, by or between two or more fire insurance companies transacting business in this State, or between officers, agents, or employees of any such companies relating to the rates to be charged for insurance, regulating and fixing the minimum price or premium to be paid for insuring property located within this State, and providing the punishment for a violation thereof, and providing certain requirements to be had for insurance companies desiring to transact business within this State in addition to the requirements now provided by law—have had the same under consideration, and respectfully report the same back, and recommend that it do not pass.

MINORITY REPORT.

Mr. Speaker—The undersigned, a minority of your Committee on Insurance and Insurance Laws, to whom was referred Assembly Bill No. 734, * * have had the same under consideration, and respectfully report the same back, without recommendation.

Idaho.

BOISE, Idaho, February 18.—In the Senate today Chairman Hart, from the State Affairs Committee, reported back a number of bills. One was the Lewis fire insurance measure, on which the committee made an adverse report. The Senate adopted it, but later in the day Chairman Hart asked that the bill be recommitted in order that Senator Lewis might again be heard by the committee. The request was granted. This is Senate Bill No. 42.

BOISE, Idaho, February 22.—Senate Bill No. 104 was today introduced as a substitute for No. 42, and has the valued policy provision eliminated. A copy of the Washington law, House Bill No. 233, was introduced today, prohibiting special contracts on life insurance policies.

Illinois.

SPRINGFIELD, Ill., February 21.—The Senate today passed Senate Bill No. 125, by Mr. Hall, providing that foreign fire insurance companies doing business in the State shall pay to the treasurers of cities, towns and villages 2 per cent. of gross receipts of the agency situated in that city, town or village. Of this one-half shall be turned over to the pension fund of the fire department, and the other half to go toward the maintenance of the fire department.

The Senate passed also Senate Bill No. 55, by Mr. Berry, providing for the reinsuring of risks affected by the consolidation of any domestic with any foreign or other domestic fire insurance companies.

SPRINGFIELD, Ill., February 23.—Mr. Dabler today introduced in the House a bill providing that after the payment of one or more premiums or assessments on a life insurance policy the holder thereof shall have a lien on the net amount of the insurance, together with legal interest, and providing that in case of suit for the same all costs, including attorneys' fees, shall be made part of the judgment. The bill was referred to the Committee on Insurance.

Indiana.

INDIANAPOLIS, Ind., February 23.—Mr. Reasoner today introduced House Bill No. 426, allowing foreign casualty, surety and health insurance companies to submit as assets to the State Auditor county, city and town bonds of other States. Accident and health companies must have $100,000 assets; casualty companies, $200,000 assets, and surety companies $250,000 assets.

An amendment submitted to the codification bill on private corporations is to strike out Section 104 and remove conflict, according to the president of the codification commission. The bill comes up as a special order in the Senate Friday night.

Kansas.

TOPEKA, Kan., February 20.—House Bill No. 887, by Mr. Stannard, prescribes a standard fire insurance policy and provides for a valued law on all descriptions of property, prohibits the coinsurance clause, and requires the examination and valuation of all property by the company before writing the insurance.

Maine.

AUGUSTA, Me., February 22.—The committee voted 6 to 4 in favor of the Senate bill by Mr. Clarke, repealing the arbitration clause in the standard policy.

Massachusetts.

BOSTON, Mass., February 17.—The Committee on Insurance reported in the Senate this afternoon leave to withdraw on the petition of James H. Mellen, for a commission to consider the insurance systems of the State.

The Senate assigned to February 24 the adverse report of the Insurance Committee on the petition (with Senate Bill No. 101)

of Thomas J. Collins for a law to authorize the surrender of a paid up life insurance policy at any time.

The House, this afternoon, accepted without debate the adverse report of the insurance committee on the petition of Simon Swig (with House Bill No. 175) for prohibition of insurance of property for more than the assesed value, and on the petition (with House Bill No. 255) of Edward C. Creed for legislation relative to the cash surrender value of life insurance policies.

Boston, Mass., February 20.—The Committee on Federal Relations reported unanimously in the House this afternoon against the petition (with House Bill No. 559) for the adoption of resolutions in favor of the bill before Congress for Federal supervision of insurance companies.

The House this afternoon adopted the report of the Committee on Insurance, leave to withdraw, on the petition (with accompanying bill, House No. 446) of Edward J. Sennott for legislation relative to the payment in full of policies by industrial and prudential insurance companies after one annual payment. Mr. Sennott spoke for his petition, but the Committee on Insurance, by Mr. Walker, of Waltham, and Mr. Power, of Boston, said his idea would lead to fraud, and the adverse report was accepted by a large majority.

The Senate accepted without debate the adverse report on the petition of James H. Mellen (with House Bill No. 564) for a commission to consider the insurance systems of the State.

Boston, February 21.—The House this afternoon accepted, without debate, the adverse report of the Committee on Federal Relations on the petition (with House Document No. 559) of Peter P. Porter, that Congress be memorialized in behalf of the pending bill for Federal supervision of insurance companies.

Boston, February 23.—The Senate this afternoon accepted the adverse reports from the House on the petition with House Bill No. 175, of Simon Swig, for a law to prohibit procuring insurance for more than the assessed value of property; also on the petition with House Bill No. 255, of Edward C. Creed, that the cash surrender value of life policies may be payable at any time.

Minnesota.

St. Paul, Minn., February 15.—House Bill No. 306, introduced today by the House Committee on Public Accounts, is a substitute for the Anderson bill, House Bill No. 92, placing the Insurance Commissioner on a $5,000 salary and turning fees for the valuation of policies into the State treasury.

It will be followed by a bill to provide that insurance taxes shall be collected by the State Auditor.

St. Paul, Minn., February 17.—Senate Bill No. 181, by Senator A. B. Cole, provides for placing the Insurance Commissioner on a $5,000 salary and turning all fees into the State Treasury.

Companies examined shall pay the State $10 a day for time necessarily employed, except township mutuals, which shall be charged only actual expense. Changes in fee list are: Domestic Companies—Filing certificate of incorporation and accompanying documents, $30; company's or agent's certificate of authority, $1. Foreign Companies—Company's or agent's certificate, $2. All companies (except township mutuals)—Filing amendments to articles, $10; filing annual statement, $20; abstracts or summaries of annual statements prepared by commissioner, each $5. General fees: For each certificate, $1; for each copy of paper on file, 20 cents a folio and $1 for certificate; for license to produce fire insurance in unadmitted foreign companies, $10; each broker's license, $10; receiving and forwarding copy of summons or process, $2; for valuing policies of life insurance companies, 1 cent per $1,000 of *insurance so valued;* receiving and filing certificate of valuation of policies by commissioner of any other State or Territory, $50. With a retaliatory clause providing that where any State imposes fees in excess of these Minnesota shall impose the same fees on companies of that State.

St. Paul, Minn., February 20.—Bill No. 333, by Mr. Peterson, provides that the suicide of a policyholder in any life insurance company admitted to do business in this State shall not be a defense against the payment of the sum named in said policy whether said suicide was voluntary or involuntary, or whether said policyholder was sane or insane, and any provision to the contrary in such policy shall be null and void.

A bill of considerable interest to insurance men of Minnesota and the Northwest will be introduced by Representative M. L. Fosseen, of Minneapolis. The bill aims to prevent insurance companies incorporated under the laws of another State from removing actions arising in Minnesota to the United States courts, by providing that if such removal is made the insurance commissioner shall revoke the company's license.

The United States Constitution provides that any foreign person or corporation shall have the privilege of removing an action from a State court to the United States courts. Under this provision the United States Supreme Court held unconstitutional a Minnesota statute imposing a fine of from $100 to $1,000 for attempting to have a suit removed.

Mr. Fosseen says the United States Supreme Court, however, has held that an insurance commissioner has a right to revoke the license of a company seeking to remove an action to the United States courts, and he has drafted his bill on this decision. The bill provides that any foreign insurance company seeking admission to Minnesota shall file with the Insurance Commissioner a written statement that it will accept a license under the laws of the State, and that if it ever makes application to remove an action arising in Minnesota to the United States Supreme Court it shall give up its license.

St. Paul, February 23.—The House Judiciary Committee reported on Tuesday an amendment to the new code of statutes, as follows: Limiting 2 per cent. premium tax to Minnesota premiums, restoring old provision as to qualification of fire departments to share in distribution of premium tax, amending the coinsurance law so as not to apply to risks of less than $25,000 except on grain in warehouses, relieving fraternals from the 2 per cent. tax, permitting the Insurance Commissioner to value policies when in his judgment it is necessary, and making the fee 1 cent on each $1,000; restoring the omitted law relating to publishers' mutuals, empowering the Insurance Commissioner to revoke license of a company which fails to pay its taxes.

Missouri.

Jeferson City, Mo., February 17.—The House Bill No. 376, by Mr. Richardson, to repeal the valued policy law, was killed today in the House. House Bill No. 375, by Mr. Richardson, repealing the anti-reinsurance law, was reported favorably.

Montana.

Helena, Mont., February 17.—House Bill No. 205, by Mr. Lanstrum, proposes to repeal Section 681 of Part IV, Division I, of the Civil Code of Montana, relating to the taxation of premiums received by insurance companies and corporations doing business in the State.

The constitutionality of the law it is sought to repeal was tested in the courts by the insurance companies about two years ago. Judge Clements, of this county, held the law was constitutional, and the Supreme Court sustained him.

It is estimated that the total paid into the different counties

under the operations of the law is about $20,000. Of that amount the State receives its share.

Representative Lanstrum was asked what the object was in introducing the bill, and he said as the fire insurance companies were not taxed on the same item, and the fraternal insurance companies were protesting against being taxed by the State, he thought it only fair the tax should be taken off the old life companies.

The bill was referred to the Committee on Insurance.

Nebraska.

LINCOLN, Neb., February 21.—House Bill No. 1, by Mr. Burns, authorizing guarantee companies to become surety on official bonds, a re-enactment of the present Nebraska law which was declared defective, has passed both houses, and has been approved by the Governor. It carries with it an emergency clause.

House Bill No. 56, by Mr. Burns, has passed the House, and was today reported by a committee in the Senate and advanced to third reading.

New Hampshire.

CONCORD, N. H., February 21.—The State Senate passed today the act introduced by Senator Entwistle, of Portsmouth, requiring a paid up value on policies of industrial insurance on which premiums have been paid for two years. It now comes into the House.

New York.

ALBANY, N. Y., February 17.—Mr. Lewis today introduced House Bill No. 634, same as Senate bill of Mr. Ambler, amending Section 52 as to amendment of charters. He also introduced House Bill No. 635, same as Senate bill of Mr. Ambler, amending Section 200 relative to life and casualty corporations.

Mr. Durland has introduced House Bill No. 266, to amend Section 1926 of the Statutes of 1898, as amended by Chapter 32 of the Laws of 1899, relating to the tax on insurance premiums. It provides for a 2 per cent. tax on fire premiums in all cities, villages and towns for the benefit of the fire departments.

ALBANY, N. Y., February 20.—House Bill No. 714, introduced February 17 by Mr. Lewis, and referred to the Committee on Insurance, amends Section 52 of Article 1 of Chapter 690 of the Laws of 1892, as amended by Chapter 725 of the Laws of 1893, as amended by Chapter 722 of the Laws of 1901, which provides that any domestic corporation may amend its charter or certificate of incorporation, by inserting therein any powers which, at the time of such amendment, may have been conferred by law upon domestic insurance corporations engaged in a business of the same general character, or which might be included in the certificate of incorporation of a domestic insurance company organized under any general law of this State for a business of the same general character.

ALBANY, N. Y., February 22.—Senator Brackett's Bill, No. 286, requiring life insurance corporations to embody in policies all other papers containing conditions as to the issuance of such policy. It was advanced to a third reading, and on motion of Senator Ambler was recommended for a hearing next Wednesday; also Senator Ambler's Bill No. 393, forbidding the formation of life or casualty corporations after June 1, 1905 Also Senator Ambler's Bill No. 392, relative to the amendment of the charters of domestic insurance corporations.

ALBANY, N. Y., February 23.—The Assembly Insurance Committee this afternoon decided to report Mr. Lewis' bill, No. 714, as to amendment of charters for domestic companies, and his bill, No. 715, forbidding formation of life and casualty corporations on co-operative or assessment plan after June 1, 1905.

ALBANY, N. Y., February 24.—The Senate committee has reported Mr. Malby's bill relative to assets and liabilities of casualty corporations.

Assemblyman Tenjost, of Buffalo, has introduced a bill to prohibit fire insurance companies from charging any greater premium than is now asked without the consent of the Superintendent of Insurance.

The Senate committee will give a hearing on insurance bills on Wednesday.

Governor Higgins sent to the Legislature this week a message dealing with the whole subject of water supply, and particularly with the present needs of Greater New York city in that respect. The Governor recommended the passage of a bill which will enable the Mayor of New York city "to appoint a continuous body composed of able and interested men, selected without reference to political affiliations," to work out the problem of furnishing that city with an adequate and continuous supply.

Mayor McClellan headed a large commission which came to Albany this week on behalf of the city bill for the $90,000,000 extension of the water supply.

North Carolina.

RALEIGH, N. C., February 23.—The House committee has reported favorably the bill to regulate insurance upon public buildings and other property held by the State. The insurance is to be increased from $487,000 to $1,500,000 upon property which is valued at $5,000,000. It was stated that special and very low rates of insurance had been promised the commissioner.

Another favorable report was made on the bill requiring that the State Auditor shall examine the books and records of the Insurance Commissioner, and increasing the commissioner's bond from $10,000 to $25,000. The bill providing for fire escapes, fire walls, fire doors, hose, ladders, etc., for various State institutions, to be a protection from fire and protect the inmates, is favorably reported. It provides for an appropriation of $10,000.

The Legislature has only ten days more of life. Relatively few insurance matters have been introduced and there has been less talk about insurance than at any session in many years. The reason is that the insurance laws of North Carolina are now remarkably complete, being, in fact, regarded as a model, and there is not a great deal that can be done to better the present well arranged laws. Insurance Commissioner Young expresses his gratification at this fact.

The State has escaped extensive fires this winter, although the severity of the weather, which was almost unprecedented, has naturally increased the danger from fire.

The Scales bill, regarding the better prevention of fire waste, has passed the Senate, with a rather odd amendment, which leaves it optional with cities and towns to adopt it. It applies to places of more than 1,000 population. It is asserted that the bill is largely educational as this amendment makes it, though it was intended to be a very strict bill, it having been shown before the committees of the Senate and House, at a hearing about a month ago, that a great many places were paying no attention to the law designed to prevent fire waste, and that it was necessary to have a law which would be more strict upon the mayors and chiefs of police of most of the towns of the State. The promoters of the bill hope to get the amendment stricken out in the House. Among these promoters are the

managers of the leading local insurance companies, notably those at Greensboro, which is the headquarters of a very prominent group of such companies.

South Carolina.

COLUMBIA, S. C., February 20.—Prior to the Legislative session, which ended on January 17, there was considerable talk about forcing the South Eastern Tariff Association as such to retire from this State. There was complaint from Rock Hill, Walhalla, Yorkville and other cities. The indications were that a bill would be introduced repealing the law (Mauldin) by which the South Eastern Tariff Association was permitted to enter the State.

The insurance forces promptly met the immediate complaint and adjusted the differences that were pressing. As a result no legislation affecting the insurance situation was proposed. No bills affecting life or fire insurance were introduced at the late session of the South Carolina Legislature.

Comptroller General Jones suggested a plan by which all insurance licenses should be paid to the State and no licenses to the municipalities. This bill was not pressed, but is likely to be brought forth at the next session of the Legislature under the auspices of the General Assembly.

South Dakota.

PIERRE, S. Dak., February 17.—The Ways and Means Committee of the House today introduced a bill amending Sections 675 and 735 of the Civil Code to increase the annual tax on insurance companies doing business in this State from 2½ per cent. to 3 per cent. on premium receipts.

PIERRE, S. Dak., February 19.—Under a recent decision of the Supreme Court it is necessary for the Legislature to enact a standard policy bill in case such a policy is desired in the State, and the Attorney General's office is drawing such a measure, which will be presented within a few days as soon as the details are worked out.

PIERRE, S. Dak., February 21.—The Senate Insurance Committee today introduced Senate Bill No. 206, to provide for a State standard insurance policy to comply with the ruling of the Supreme Court. It follows closely the New York standard policy, but contains the valued policy clause provisions, that notice to the agent is notice to the company. It does not allow either application or bylaws of the company to become a part of the contract; and provides that the company, to avail itself of provisions of laws which voids a policy, must follow any knowledge of such voiding by immediate cancellation of policy, failure of which is a waiver of the company's rights in a suit.

The House has passed the bill increasing the insurance tax to 3 per cent.

Texas.

AUSTIN, Tex., February 14.—The House of Representatives today passed to engrossment House Bill No. 12, by Mr. Bowser, taxing life insurance companies 2½ per cent. on their gross receipts and all other insurance companies 2 per cent.

The purpose of the bill is to increase the tax on gross receipts on fire, marine, health, live stock, guarantee, or accident insurance companies from one-half of 1 per cent. to 2½ per cent.; on each marine insurance company from 1 per cent. to 2½ per cent.; and each life insurance company, and life and accident insurance company, from 1¼ per cent. to 2½ per cent. on all gross premium receipts. The bill provides a differential rate in favor of such insurance companies as may have a certain portion of their capital stock and surplus funds invested in Texas securities subject to taxation under the laws of Texas. The committee amendment reduces the tax on fire insurance companies to 2 per cent. on gross proceeds.

Washington.

OLYMPIA, Wash., February 17.—Mr. Poyns, of Pierce, introduced today House Bill No. 329 extending the supervision of the State Insurance Department to include casualty companies, and requiring such companies to retain a reserve fund based on the amount of policy suits pending, and is a general act regulating this class of insurance companies.

OLYMPIA, Wash., February 20.—Representative Molstad today introduced House Bill No. 343, to prohibit combinations among fire insurance companies for the purpose of fixing rates, and prescribing a $1,000 fine for violation of this act.

Wisconsin.

MADISON, Wis., February 18.—House Bill No. 391, introduced by Mr. Thieme, provides that no contract of fire insurance upon property located or situated within this State shall be valid unless the same or some note or memorandum thereof be in writing, expressing the consideration of premium, and signed by the insurer or by the lawfully authorized agent thereof. The bill also prohibits rebates.

Wyoming.

CHEYENNE, Wyo., February 21.—No legislation relating to insurance in any way was passed at this session of the Legislature.

Official Reports.

Connecticut Fire Insurance Report.

Commissioner Upson has issued the first part of the Connecticut insurance report, covering fire and marine insurance business in the State.

As this is the first department report of this year it provides us with our first complete survey of the fire insurance business of 1904, all the principal companies of the country being licensed in the State. The following are summaries of 1904, comparisons being made with 1903:

	Assets in the United States.		Liabilities, Including Capital and Statutory Deposit.	
December 31.	1903.	1904.	1903.	1904.
Connecticut, stock.	$51,886,426.46	$54,482 655.33	$36,125,575,27	$38,165,824 82
Connecticut, mut'l.	2,157,988.84	2.282,092,37	496,077.98	488.389 84
Other States, stock.	204,704,420.07	215,721,235.50	136,880.083,14	146.182 315.13
Other States, mut'l.	3.328,505.06	3.414,142.07	1,463,460.20	1,453,933.79
Foreign stock.....	73,054,238.54	78,015,988.23	49,172,019.27	53,172,414.71
Totals.....	$335,111,578.97	$353,916,113.50	$224,137,215.86	$239,462,878 29

	Surplus As Concerns Policyholders.		Surplus Over all Liabilities.	
December 31.	1903.	1904.	1903.	1904.
Connecticut, stock.	$25,890,851.19	$26,466,830 51	$15,740 851.19	$16,316,830.51
Connecticut, mut'l.	1,661,910.86	1,793,702.53	1,661,910.86	1,793,702.53
Other States, stock.	105,177,211.93	107,491.795.37	67,824,336.93	69,538,920.37
Other States, mut'l.	1.965,044.86	2,060,208.28	1,865,044.86	1,960,208.28
Foreign, stock.....	29,548,219.27	30,709,573 52	23,882,219.27	24,843,573.52
Totals.....	$164,243,238.11	$168,552,110.21	$110,974,363.11	$114,453,235.21

	Fire Premiums Received.		Losses Paid.	
	1903.	1904.	1903.	1904.
Connecticut, stock.	$27,485,048.54	$30,736,706.81	$13,729,754.59	$18.888,394.39
Connecticut, mut'l.	282,105.91	272 461.31	174,204.11	219,813 65
Other States, stock.	95,256,777.35	104,199.652,45	48,538 271.71	65,932,898.72
Other States, mut'l.	765,482.93	739,715.26	246.995.95	273,159.52
Foreign, stock.....	46,290.895.52	52,036,682.14	24.612,908.66	35,450,985.08
Totals.....	$170,080,310.25	$187,985,217.97	$87,302,135.02	$120,765,251.36

	Risks in Force at End of Year.		Risks Written During Year.		Average Premium, Per Cent.	
	1903.	1904.	1903.	1904.	1903.	1904.
Conn., St'k.	$3,680,622,687	$3,967,810,191	$2,876,608.727	$3,220,156,360	1.25	1.24
Conn., Mut.	107,061,312	105,821,184	37.078,458	37,004,446	.89	.88
Oth. St., S'k	13,689,891,872	15,041,513,705	11,023,790,223	12,299.772,787	1.18	1.16
Oth.St. Mut.	179,955,570	181,945,025	55,874 795	54,584,078	1.44	1.44
Foreign	6,457,250,193	7,073,669,796	5,816,081,546	6,814,518,990	1.15	1.10
Totals....	$24,114,781,634	$26,370,759,901	$19,809,433,749	$22,426,036,661	1.18	115

GENERAL REMARKS.

The annual statements of the fire and fire and marine insurance companies transacting business in this State during the year 1904 are, on the whole, quite satisfactory. Exceptionally large fire losses have occurred during the year, but the increased earnings of the companies, both in the underwriting and investment accounts, have served to increase the aggregate surplus of the companies by some $3,500,000.

The people of the State may be assured that the protection afforded them by the authorized companies through whom their property is insured is of the best.

The State fire marshal's report for the year 1904 will be found on page 28, to which I would invite the careful attention of the people of the State. The report shows a very large number of fires resulting from carelessness or from preventible causes, some 700 out of a total of about 1,300.

The "enormous fire waste," to which attention is called year after year, still continues. The remedies called for are those that have been suggested time after time, but apparently without avail, namely, more thorough inspection by the insurance companies and a refusal by them to assume many risks that are offered them; greater care on the part of the owners and tenants of buildings and penalties attached to culpable neglect of proper precautions; the most efficient work possible by the State and municipal authorities having supervision of these matters.

On these lines rather than on "valued policy laws" will be found a partial remedy at least for burdensome rates of insurance.

Miscellany.

The Duties of the Fire Insurance Adjuster.

Before the Fire Underwriters' Association of the Pacific, at its annual meeting last month, Mr. F. J. Alex. Mayer, Oregon State agent for the Fire Association of Philadelphia, read an exhaustive paper on "Scientific Bookkeeping and the Adjustment of Book Losses With and Without Books." We regret that we have not space for the mathematical demonstrations introduced by the accomplished author to illustrate his text and which would occupy several pages of this issue, but we take pleasure in presenting our readers with his expert remarks on the nature of the fire adjuster's work and his duties in relation thereto. Mr. Mayer says:

Although it is true that probably not more than one loss in fifty is a "book loss," nevertheless this one book loss is usually of such importance and magnitude that the knowledge required in the adjustment of the other forty-nine losses is insignificant in comparison with this one. Nor can it be denied that, if out of the remaining forty-nine losses, twenty or over had been investigated more closely—if all the details had been unearthed and accounted for; if the books had been carefully examined, searched and scrutinized—many more of the facts necessary to be known for making an equitable adjustment would have been discovered. In a few isolated cases the adjustment would have appeared fairer to the assured, but in most cases much money would have been saved to the insurance companies.

But what is the average adjuster usually doing with the remaining forty-nine losses? In all likelihood he hires a carpenter, a regular scab, for appraising the loss to the building; a machinist, probably a mere blacksmith, for the machinery; an engineer, perhaps a bridge engineer, for the loss on an electrical plant; a merchant, likely a dealer in general merchandise, for the loss or damage to a furniture stock, and finally a country lawyer for advice about the legal technicalities of insurance law. And, what is the most astonishing, for the one book loss in fifty, he engages a courthouse accountant to extract the loss from the books. He calls them "experts" and pays them for their services a sum which they never realized before in their own calling for a few hours' work. Meanwhile, the adjuster sits down and awaits results. He then does the clerical work of making up the proofs. He calls this performance "adjusting," worth $15 to $20 per diem and expenses.

This is a sharp and severe arraignment of the average fire insurance adjuster, but where is the adjuster of experience and conscience who dares to deny the truth of this charge? Whose conscience does not speak loudly that he also is to be blamed for faults of both commission and omission?

The adjuster must be educated to do better work; he must be compelled to do more conscientious work in the future. It is never too late to mend; a man is never too old to learn. If there is an adjuster who does not desire to mend his ways, who is too lazy to learn—discard him; dismiss him. He is not worthy of the title of adjuster. He disgraces his profession. The man who has no executive ability, who does not want to work, who relies on pull or social standing, is not very long the manager of a company; he cannot hold his position indefinitely. And why should not also the adjuster be required to have ability, to do his full duty and be willing to work?

THE QUALITIES OF AN ADJUSTER.

Patience, perseverance, tactfulness, diplomacy, resourcefulness and alertness are most important qualities of an adjuster. However, the fundamental characteristic of a good adjuster is the one which every man believes he possesses in abundance and which in fact so very few seem to possess, and that is "good common sense," or what is called in coarse Western language "horse sense."

An adjuster with good common sense will, through experience, study and observation, soon get a fair working knowledge of values. By a little attention building materials and cost will not be a Greek alphabet to him any longer. He can also learn the value of such articles as machinery and ways of figuring their weight. The weight of machinery is an important item when it has to be shipped a long distance to a repair shop. The adjuster must get acquainted with the value of merchandise and household goods from the raw product in the field or mother earth to the finished article in the hands of the consumer. He must also acquire a smattering of insurance law, sufficient to put him on his guard in making written or verbal admissions, which the courts might afterward construe as waivers.

The life of an adjuster is by no means an easy one. He has strenuous work before him. Yet the calling of an adjuster is an enviable one. He can live to a purpose and strive to become master of more qualifications of the human mind than any other profession calls for. It is an ennobling vocation, especially if a man puts his heart and soul into it.

HIS DUTIES.

The first and cardinal duty of the adjuster, when he arrives at the place of fire, has been discussed so often in pamphlets, board meetings and letters of instructions that there should be no further need of preaching the same sermon over again. Yet the matter is still indistinct in the minds of many so called adjusters, and therefore the rules to be followed and obeyed are once more laid down here:

First—The adjuster must see that all property is saved that can be saved. He must see that it is protected from further damage. He must help the assured and advise him how to care for, clean up, dry out and air the saved personal property, whether merchandise or household goods. The adjuster must see that articles subject to rust, such as hardware and machinery, are wiped, cleaned, oiled or greased, and covered up if necessary. The adjuster should instruct the assured that property saved belongs to the assured and not to the company. He should also tell him that the companies are not liable for stolen property; that any loss caused by neglect in protecting and caring for the property at or after a fire is not covered by the insurance contract.

Second—Whether the insurance is on buildings or contents the adjuster should immediately attend to the repair of damaged roofs, if further damage to the insured property is to be avoided thereby. Brick walls should be propped, if this will lead to a salvage for the companies.

Third—The adjuster should oversee the separating of damaged and undamaged property, and put same in the best possible order. He should assist the assured in making the inventory of damaged and undamaged property. If he personally supervises the stock taking and watches the values and quantities he will save much money to the companies.

Fourth—The adjuster should instruct the assured to keep open and continue business for the sale of undamaged stock, the same as if there were no insurance, and not to close the doors unless everything in the store has been damaged. Goods on which a damage is claimed cannot be sold, except in the case of highly perishable goods, like vegetables, fruits and eggs. The adjuster should attend to the quick disposal of such goods, and in his

absence the agent should get telegraphic instructions from his company relative to the immediate sale of highly perishable goods.

Fifth—The adjuster should require the assured to keep separate accounts of all expenses incurred in caring for property saved and goods sold after the fire; to inform him that the expense for caring for saved property will be part of the loss, if loss and expenses are within the amount of insurance; otherwise to be paid by the assured, who thereby saves his own property.

Sixth—The adjuster shall also apprise the assured that the company is liable for its proportion of the expenses of removal, if loss and expense do not exceed the amount of insurance. Property removed to places of safety is insured for the ensuing five days in new locations in such proportion as the amount of insurance remaining in force after allowing for the loss bears to the value in all such locations.

Conditions may arise which are not stated in the above list. Whenever an unusual case turns up the adjuster should ask the assured or himself, "What would you do in this peculiar case if there were no insurance on the property?" The answer will surely be a good common sense reply. Then the adjuster should tell the assured to go ahead quickly to save the property from further damage and to reduce the loss.

THE APPRAISEMENT.

An experienced adjuster will always avoid going into an appraisement by arbitration. Even the terms of the policy provide for such a procedure only in exceptional cases, when the assured and the adjuster cannot agree. If the adjuster is familiar with the value of the articles to be appraised he will in most cases succeed in convincing the assured that the interests of both the assured and the company will be better served if the assured and the adjuster themselves attend to this part, instead of putting it into the hands of strangers who have no interest in the final result. If the loss is on articles of whose value the adjuster has no knowledge he will do better to hire for this purpose and if necessary telegraph for a regular insurance appraiser, experienced in the line to be appraised. On the other hand, if he goes into an appraisement and has to rely on local talent and perhaps friends of the assured he will learn when it is too late that the insurance company got the worst of the bargain.

The adjuster should always, if possible, get a mercantile report of the standing of the assured. He should not place too much confidence in this report, but find out from the books direct the financial affairs of the assured.

A book loss, pure and simple, that is a loss where the goods are totally destroyed, of which the amount can be ascertained in no other way but by extracting same from the books, should never be a subject for appraisement under the terms of the policy. Such a loss is a matter entirely of facts.

The adjuster will quite often find that the assured is willing to swear to the correctness of his books, and afterward, in spite of this positiveness, he will find that serious omissions were made. The sworn affidavit or deposition sometimes taken by the adjuster from the assured has occasionally to be corrected and revised on account of mistaken conditions. Whenever facts to the contrary stare the adjuster in the face, assertions and sworn affidavits are of no value to him. A few years ago, for instance, the owner of a large mercantile establishment claimed and swore that his books were absolutely correct, and that everything was posted up to date of fire. The adjusters took him at his word, only one of them objecting, because his common sense taught him that the assured must have a larger stock on hand than the books showed. Finally, after a day or so, it was learned that the bookkeeper never posted on the merchandise account goods received until the same were paid for. This finding made quite a difference in the account.

KNOWLEDGE OF BOOKKEEPING AND ACCOUNTING.

A thorough knowledge of bookkeeping and accounting, coupled with willingness in digging into a case and unearthing all details, is a necessity for an adjuster of book losses. To be simply a good double entry bookkeeper does not by any means make an adjuster on book losses. Merchants keep their books in all kinds of ways; some have a set of single entry books, more or less well kept; some have double entry books; bound and loose leaf ledger systems; but very few or none keep their books as intelligently as they might—that is, scientifically. If the loose leaf ledger system is employed, which undoubtedly has great advantages over the old method, the books, with their transfer sheets, need, in case of a suspicious loss or fraudulent claim, much closer investigation and checking up than with the old system of bound books.

But no matter how the books are kept, no matter which method is employed, the adjuster must be able to dig out the system. He will find upon careful investigation that there was, after all, "a method in madness." For this reason an adjuster must necessarily be a good accountant as well as bookkeeper.

By applying himself to the study of the various methods of books which come into his possession, by searching and investigating the same, he will in time become an accountant so thoroughly conversant with this science that he can put all the so called bookkeeping experts in the shade when it comes to extracting a loss from the books.

Moore Sanborn on Some Present Conditions in Life Insurance.

The following interesting remarks were made by Mr. Moore Sanborn, fourth vice president of the Security Trust and Life, at the annual banquet of the New England Women Underwriters' Association at Boston, Mass., on last Monday night. A garbled report was printed in some of the Boston papers, but we present herewith a true version of what Mr. Sanborn said:

Our companies are so closely connected with the public welfare that they are being carefully scrutinized, and men are now asking if it is possible that the creed of graft that has been recited in so many of our municipalities and great corporations has invaded this best business in the world; if the love of loot that has slimed the good fame of so many of our public men and institutions is part and parcel of life insurance. Everywhere in our streets and offices the assaults of Mr. Lawson and the allegations of Mr. Beardsley are being debated. We have been shamed by the revelations made by the recent report of an examination of a company showing such an incomprehensible condition of rottenness existing as to compel the wholesale resignation of the officers of the company concerned.

We have seen the daily press teeming with inflamed reports of internal dissension in one of our greatest companies, and rumors have been rife that in another great corporation there are two factions whose ambitions are held in leash awaiting the death of one man before being unloosed in strenuous rivalry for personal preferment. More than ever since the notable and impotent campaign against the New York Life in 1891 men are seriously asking if the baleful practices often used in the exploitation of the public by the creation and wrecking of corporations in the world of finance is at work in life insurance.

Said a prominent official of a Western State to me last week: "Folk is after the boodlers in Missouri; Jerome is after the gamblers in New York; Roosevelt is after the railroads, and a lot of us believe that some man is needed, equal to these three men rolled into one, to investigate some of you life insurance people." Honest agents—and there are many such—and hundreds of thousands of our policyholders are wondering whether behind all the smoke there is not some dangerous fire.

I wish to be very frank and sincere with you tonight in speaking of the questions that are raised by facts like those I have quoted above. Life insurance companies are public institutions; they are not charities, but organized beneficence. They are owned by the people whose powers of administration and premiums have created them. Their officers are trustees of money paid for the future needs of the common people. The people have a right to know they are not being conducted by dishonest men for private ends, and whether the questionable methods of Wall Street and State Street are dominant in their control. Are the men who manage them possessed with a passion for the proper execution of the trust imposed upon them?

To these questions the people expect replies—full, definite, direct and conclusive. In my judgment there is no reason why anyone should be alarmed or disturbed by the hue and cry that is being raised. Though reports and rumors be rife, thick as "leaves of Vallombrosa," the issue will vindicate our confidence in the men and measures of our companies. Agitations and examinations will justify our faith that the men who manage the interests of life insurance are true to their trust. Nowhere in the realm of finance are men more earnestly seeking to do their full duty and execute their work with fine fidelity than are those who are bearing the burdens of life insurance upbuilding and administration. Nor will the fabric and purpose of life insurance suffer. Life insurance may have freckles on her

face and warts on her hands and her feet may be stained somewhat with the dust of the street; but her face is ashine with love and sympathy for humanity; her hands are full of largess to be distributed among the needy, her feet are quick to run on messages of mercy for the widow and orphan, and the mark of the Eternal Beast is not upon her garments.

If in any presence loot, graft, deception, hypocrisy or fraud claim to have mastered the men who are in control of the business of life insurance, those assailed may answer as did Randolph of Roanoke in the United States Senate when, taunted with having been mastered in debate, he replied, shaking his long, skinny forefinger at the man who was supposed to have mastered him: "He, my master! He, my master! Why, gentlemen, I would not own him for a slave."

Boston Life Underwriters' Association.

The twenty-second anniversary of the Boston Life Underwriters' Association, which was celebrated with a sumptuous dinner at Hotel Vendome, Boston, last Tuesday evening, was made memorable by the address of the Hon. James M. Beck, of New York, formerly Assistant Attorney General of the United States, on "Federal Supervision of Insurance." Both matter and manner of the speaker profoundly impressed his hearers, and threw new light on the vexed question, which is pressing more clamorously for solution every year.

President Louis L. Hopkins opened the after dinner speaking by laying emphasis on the fact that the association stood for something more than social amenities, and had accomplished notable reforms in the business, every year bringing something new in that direction. He touched upon the strange indifference of the public concerning the taxation of life insurance companies, a taxation that was a burden on thrift and foresight, and was continually growing more onerous, and if kept up threatened eventually to tax the business out of existence.

Mr. Beck, on being presented, was received with prolonged applause. Before entering on the subject matter of his address he devoted a few minutes to the Frenzied Faker, who in the morning papers had challenged him to a debate on terms manifestly unfair. "If Mr. Lawson will formulate a sufficiently tangible proposition," said Mr. Beck, "I may find a chance to gratify his desire for a debate." There was very little of tomlawson left when the speaker got through with him and entered upon the consideration of his topic, "The Federal Supervision of Insurance." [The full address will be found on another page.]

The next speaker was President Dolph, of the National Association, who discoursed as follows on

THE POWER OF ORGANIZATION.

A comprehensive consideration of this subject would make a good sized volume set in small type; possibly several. In the limits of this paper I can address myself only to that feature of the topic which has to do with the power of organization and association among life insurance field workers.

Associations or societies are bodies of individuals organized for the attainment of common ends through concerted action and by which the wisdom of the many may have greater influence by being exerted through a common channel.

The co-operation of men for definite aims dates from the earliest times, and is universal. History is simply a connected chronicle of the results wrought out by individuals or peoples banded together for common purposes, and whether it be for the conquest of material objects or the inner improvement of the members themselves, is to be met with in all parts of the world today. The precise manner of operation of the original societies is more or less obscure, but the first organizations of which we now have record were social or religious. The development of the societies was wonderful, for ancient history contains many records of their accomplishments. They were followed by organizations formed for secular and philanthropic purposes, such as self protection, care of the sick and helpless, etc., including a combination of these as exemplified by the great orders existing at the present.

The highly perfected political organizations of today are simply outgrowths of the principle on which these old societies were founded.

Notwithstanding the negative relation to progress of the stoical philosophy, the fact is worth recording that one of the remarkable "thoughts" handed down by the immortal Marcus Aurelius, philosopher and Emperor of Rome in the second century, relates to co-operation. He said: "We are made for co-operation like feet, like eyelids, like the rows of the upper and lower teeth. Like a hand or foot cut off, such does a man make himself who does anything unsocial."

The experience of the eighteen centuries since the above was stated serves but to emphasize our social necessities and proclivities. Despite our human intelligence we are individually more dependent on each other than are other creatures, and this dependence is one of the strongest bonds of society, in that it is so universally recognized.

Association is one of nature's laws, observed on every hand, and illustrated by the combination of beautiful colors in a bed of flowers, the groupings of the forests, the serried ranks of the mountains, the massing of the lower animals into droves and flocks and the unceasing tendency of all humankind to draw together into communities and cities.

The entire theory of organization rests upon the principle of individual responsibility and subordination, so that no matter how small or how great the number of individuals gathered together someone is responsible to whom the others must be responsible.

At no time in the history of the world has the principle of association and organization been more conspicuous. In truth, it is one of the most potent factors in the progress of the race. That this is an age of organization is largely because we are familiar with its power and have learned how to take advantage of it. By association and organization and the subordination of individual preferences nothing can prevent men from the attainment of any object they may honestly and earnestly desire. Practically every vocation is making an organized effort at the present time with a view to its own improvement and advancement, through the concert of individual action.

I would like to emphasize this principle at this time because I am satisfied that a thorough appreciation of it by our members throughout the country, as I know it is appreciated here in Boston, would strengthen our associations probably more than any other one thing. The strongest workers in our associations are those who not only have opinions of their own which they are willing to express, but they also respect the opinions of others and are willing at all times to serve their association in any capacity.

The Rev. Mr. Black, in his beautiful book on "Friendship," quotes the following from Ecclesiastes: "Two are better than one, because they have a good reward for their labors. For if they fall, the one will lift up his fellow; but woe to him that is alone when he falleth, for he hath not another to help him up. And if one prevail against him, two shall withstand him; and a threefold chord is not quickly broken." He then adds: "The principle of association in business is now accepted universally. It is found even to pay to share work and profit. Most of the world's business is done by companies, or partnerships, or associated endeavor of some kind. And the closer the intimacy between the men so engaged, the intimacy of common desires and common purposes and mutual respect and confidence and, if possible, friendship, the better chance there is for success. Two are better than one from the point of view even of the reward of each, and a threefold chord is not quickly broken, when a single strand would snap.

"When men first learned, even in its most rudimentary sense, that union is strength the dawn of civilization began. For offense, and for defense, the principle of association early proved itself the fittest for survival.

"When men face the world together and are ready to stand shoulder to shoulder, the sense of comradeship makes each strong. This help may not often be called into play, but just to know that it is there, if needed, is a great comfort, to know that if one fall the other will lift him up. The very word friendship suggests kindly help and aid in distress. The fight is not so hard when we know we are not alone, but that there are some who think of us, and pray for us, and would gladly help us if they got the opportunity."

I am quite certain that we do not always appreciate and understand the beauty and the value of real friendship.

Co-operation should be characteristic of life insurance agents, who are no more nor less than skilled advocates of the benefits of organized self help. Is not a life insurance company an organization "formed that men might together better bear one another's burden"? It is well to have this fact brought home to us occasionally in order that we may not only emphasize the

wonderful achievements of these great organizations, but also the principles which govern them.

To know that we are engaged to assist in administering this great business for the benefit of the millions we have persuaded to contribute to and partake of its beneficence should have an elevating effect. This may in a measure account for the tendency, noticeable on the part of the leading agents in every community, to take an interest in and affiliate with associations and societies organized for the benefit of society. None of these institutions, however, present greater opportunities to the life insurance agent for his own uplifting and advancement than our own local and national associations.

While I presume these opportunities cannot be accurately determined, for the reason that the heights to which we may aspire are still above us, yet it is safe to say that no association can claim to have accomplished more than you have here in Boston. The leaders in association work, wherever it has been successfully established, have given it much serious thought, but nowhere have the possibilities and the power of loyal service in our work been exemplified more effectively. The influence of the lives of the revered Ransom, Carpenter, Caleb, Holoway and others extends into every nook and corner of this great country where the association flag is known. The remembrance of these men is an inspiration. Let us, therefore, renew our devotion to the cause they represented, to the end that our fraternity, no matter where located, may at all times partake of its ripest fruit.

The evening's proceedings came to an end with a very witty speech by James E. Leach, Esq., of the Boston bar, and a poetical "Good Night," spoken by Mr. D. F. Appel.

The Case of the Equitable Life Against Commissioner Host —Text of the Decision in Favor of the Company.

The following is the full text of the opinion of the Supreme Court of Wisconsin in the matter of the injunction asked for by the Equitable Life Assurance Society restraining Insurance Commissioner Host from revoking its license to do business in Wisconsin:

STATEMENT OF THE CASE.

This is an action to restrain the Commissioner of Insurance from revoking the license issued to the plaintiff to do business in this State. The facts are mostly undisputed. The complaint alleges, in effect, that the plaintiff was incorporated in 1859 under the Laws of New York of 1853, and the amendments thereto, for the incorporation of life and health insurance companies; that by Section 87 of the General Insurance Laws of the State of New York, first enacted as Chapter 118 of the General Laws of New York for the year 1868, it is provided that: Any domestic life insurance corporation which by its charter or articles of association is restricted to making a dividend only once in two or more years may hereafter, notwithstanding anything to the contrary in such charter or articles, make and pay over dividends annually, *or at longer intervals,* in the manner and proportions and among the parties provided for in such charter or articles"; that by Section 83 of the General Insurance Laws of the State of New York, first enacted as Chapter 100 of the General Laws of 1872, it was provided that: "Any domestic life insurance corporation may ascertain at any given time, and from time to time, the proportion of surplus accruing to each policy from the date of the last to the date of the next succeeding premium payment, and may distribute the proportion found to be equitable, either in cash, in reduction of premium or in reversionary insurance, payable with the policy, and upon the same conditions as therein expressed at the next succeeding date of such payment, notwithstanding anything in the charter of such corporation to the contrary"; and the complaint further alleges that all of its policies issued by it since its organization and now outstanding were executed in the State of New York and are payable at the home office of the plaintiff in the State of New York. The complaint further alleges, in effect, that for several years prior to the commencement of this action the plaintiff had done business in this State under licenses issued by the several commissioners of insurance; that December 12, 1902, one L. A. Brunckhorst, as a citizen and resident of this State, presented to the Commissioner of Insurance a petition or complaint wherein he alleged, in effect, that the plaintiff was a foreign life insurance company doing business in this State on the mutual plan, being duly licensed by the Insurance Department; and further alleged that the plaintiff "is now violating and has for many years knowingly and willfully violated the insurance statute" of this State, known as Section 1952 and the acts amendatory thereof, "to the great damage, loss and detriment of the people of the State of Wisconsin, in that said company has failed to comply with the provisions of said Section 1952 * * in failing to make distribution of the surplus funds of said company among the policyholders of said company as provided in and by said section; * * that by reason of such violation thousands of citizens of the State of Wisconsin have been deprived of moneys justly due them by forfeitures imposed by" the plaintiff, "and are now and continue to be deprived of moneys justly due them from said company"; and prayed that the plaintiff be summoned to appear before the Insurance Commissioner to show cause why its license should not be revoked in accordance with Section 1955 of the statutes and acts amendatory thereof.

Pending the hearing of that petition, and on March 1, 1903, the commissioner issued a license to the plaintiff for one year—similar to such former licenses held by the plaintiff.

A hearing was had upon such petition June 16, 1903, and the defendant, as such commissioner, made his decision thereon July 31, 1903, wherein, among other things, he decided as follows: "I further decide that" the plaintiff "has violated said Section 1952, as charged" by the complainant, L. A. Brunckhorst, "by not complying with the provisions of said section. Therefore, I hereby notify The Equitable Life Assurance Society of the United States that if a statement, signed by the proper officers of the company, that there will be a compliance with Section 1952, *as herein decided,* be not filed with this department within the period of thirty days from the date hereof the license of the company to transact business in this State will be revoked at the expiration of that time."

The complaint herein further alleges, in effect, that the defendant acting or assuming to act as such commissioner, "threatens to and will, at the expiration of thirty days from July 31, 1903, revoke the license of this plaintiff to transact business in Wisconsin, unless within that period this plaintiff file with said defendant a statement in writing that it will comply with Section 1952, as construed by said defendant (which construction said plaintiff alleges was and is erroneous) and threatens to, and will thereafter revoke the license of the plaintiff to transact business in Wisconsin *unless* this plaintiff *distribute among its policyholders,* regardless of the term of their policies, the amount so erroneously found by the said defendant to be a surplus, as aforesaid, in accordance with his said construction of said statute, and unless the plaintiff shall otherwise comply with said statute as so erroneously construed by the defendant."

The defendant's answer to the complaint herein admits that the plaintiff is, and for more than forty years past has been, a corporation organized and existing under the laws of the State of New York, engaged in the business of life insurance on the mutual plan, and that for many years past it had been duly licensed under the laws of the State of Wisconsin to transact such business within this State. That the plaintiff was incorporated in 1859 under the general act of the Legislature of the State of New York, passed June 24, 1853. That Chapter 118 of the General Laws of New York for the year 1868, Section 87, was duly enacted and became and was and is the law of the State of New York, as set forth in the complaint. That Chapter 100 of the General Laws of 1872, Section 83, of the State of New York, was enacted, became, was and is the law of the State of New York, as alleged in the complaint. That the policies issued by the plaintiff since its organization and now outstanding were all executed in the State of New York and are payable at the home office of the plaintiff in said State.

The answer further alleges, among other things, in effect, that the surplus funds which this defendant determined to be in possession of the plaintiff, subject to distribution under Section 1952, and which, under the defendant's decision, *must be distributed among the policyholders* of the plaintiff annually or once in every two, three, four or five years, pursuant to Section 1952, was composed in large part of earnings and accumulations derived from payments made by policyholders of the plaintiff under such deferred dividend policies; that the total amount of outstanding insurance of the plaintiff at the date of the decision of the commissioner was in excess of $1,300,000,000; that the total value of its assets at said time and now does not exceed $400,000,000; that during the last ten years the plaintiff has paid in dividends $28,847,371.31; that such amount was paid as alleged and shown in the complaint; that the petitioner was not a policyholder of the plaintiff; that the defendant acting as such commissioner, "had he not been enjoined by the writ issued in this action, would have revoked the license of the plaintiff to transact business in Wisconsin within thirty days after July 31, 1903, if the plaintiff had not within such time filed a statement in writing that it would comply with

Section 1952 *as construed by this defendant*, and that this defendant *intends*, unless restrained by the order of this court, *to revoke the license* of the plaintiff to transact business in Wisconsin, unless plaintiff complies with the provisions of Section 1952 *and distributes* among its policyholders at least once in five years the surplus earnings which have been shown to be in the plaintiff's possession; that the plaintiff has many thousands of policyholders within the State of Wisconsin." That March 1, 1903, the defendant issued to the plaintiff a license to do business in Wisconsin for the ensuing year because the plaintiff had otherwise complied with the requirements of the laws of this State and this defendant was under restraint, as mentioned. That the insurance contracts of the plaintiff issued to Wisconsin citizens now in force on December 31, 1902, amounted to $14,014,692—the annual premiums being paid thereon amounting to $428,100; that more than 84 per cent. of the insurance contracts and policies aforesaid now in force issued to and held by Wisconsin citizens and policyholders are upon what is known as the ten, fifteen and twenty year deferred dividend plan, by which no dividends are to be paid or apportioned to, nor is any surplus dividend between or among such policies and insurance contracts until the end of the deferred dividend period, and not then if a forfeiture is imposed upon death or the failure to pay premiums.

The issues thus joined were tried by the court, and at the close of the trial the court made findings of fact and conclusions of law, and, among other things, found, in effect, (4) that the defendant on July 31, 1903, in a proceeding theretofore commenced and heard before him as such commissioner for the revocation of the license of the plaintiff, upon the ground that the plaintiff was issuing a form of life insurance policy containing provisions contrary to the requirements of Section 1952 of the statutes, such "commissioner made a ruling, in which he held that said plaintiff was issuing such policies in violation of the requirements of said section, and giving said plaintiff notice that unless within thirty days from the date of said ruling it filed in said Insurance Department a statement that it would comply with said section *as interpreted by him in said ruling*, he would revoke said plaintiff's license to do business in this State."

(5) That the plaintiff did not comply with said ruling and is not complying therewith, but on the contrary has commenced this action to restrain the commissioner from enforcing his ruling.

(12) That the plaintiff has assets in the total amount of $381,226,035.53, of which $73,354,138.03 is a surplus over and above the amount of the legal reserve and the amount required by the company for the purpose of discharging all its liabilities as they may occur in the future; that the amount of such legal reserve, together with the premiums becoming due and payable upon present contracts issued, are sufficient to discharge all obligations of the plaintiff association as they mature; that the plaintiff has not made distribution of such surplus according to Section 1952, "but has for many years violated and does now violate the provisions of said section by failing, neglecting and *refusing to distribute or apportion* at least every five years, the surplus profits and earnings of the plaintiff company among its policyholders, residents of the State of Wisconsin, holding and representing policies and contracts to the amount of *twelve million dollars and upwards.*"

And as conclusions of law, the court held in effect, (1) that the issue of deferred dividend policies by which the distribution of dividends is deferred beyond a period of five years to the citizens of this State is contrary to the first provision of Section 1952, *and is unlawful;* (2) that unless the plaintiff signifies its consent to discontinue the issue in this State of deferred dividend policies the Commissioner of Insurance "may, and should, under the requirements of Sections 1955, 1972a and 1978 of the Statutes of 1898, revoke the plaintiff's license to do business in this State"; (3) that there has been no practical construction of Section 1952 as permitting the issue in this State of said form of policy now binding upon the court; (4) that the defendant is entitled to judgment dissolving said preliminary injunction, dismissing this action, and for his taxable costs and disbursements, and ordered judgment to be entered accordingly. From the judgment so entered the plaintiff brings this appeal.

THE DECISION.

Cassoday, C. J.—The facts in this case are practically undisputed and largely stipulated. The plaintiff was incorporated in 1859, under the laws of New York then in force, as a domestic life insurance corporation. It continued to do such business under such laws and the several amendments thereto from that time down to the controversy in question, which arose about two years ago, and has also continued such business since. For more than twenty years prior to the controversy in question the plaintiff had been doing such insurance business in this State, and issuing to the citizens thereof "deferred dividend insurance"—wherein the accumulated assets or surplus was not to be distributed except in longer periods than five years; that each of such policies were executed in the State of New York and payable at the home office of the plaintiff in that State; that eleven other life insurance companies—named—each and all doing business in Wisconsin during the time mentioned had adopted and issued similar policies as to the periods for the distribution of such accumulated assets or surplus; that the plaintiff alone has issued and has outstanding in the United States at least one thousand millions of dollars in such form of insurance, of which at least twelve millions thereof was so issued and is outstanding in Wisconsin. It is conceded that during each and every year of the twenty mentioned the commissioners of insurance of this State issued to the plaintiff a license to transact the business of life insurance in this State, reciting in each such license that the plaintiff had "complied with the laws of this State relative to life insurance companies," and that until the controversy in question—"no formal or official objection of any kind was ever brought to the attention of the plaintiff by any insurance commissioner of the State of Wisconsin, or by any other official of said State"; and that during that period neither the right of the plaintiff nor any other company to transact such form of business was ever "challenged by or on behalf of the State of Wisconsin."

The controversy in question was not instituted by any policyholder of the plaintiff, but by an individual solely as "a citizen and resident" of this State. The substance of the complaint of such "citizen and resident" upon which the revocation of the license so issued to the plaintiff was prayed, and the hearing and decision of the commissioner thereon, are set forth in the foregoing statement. That decision of the commissioner—so made July 31, 1903—held that the issuing of such policies by the plaintiff was in violation of the statutes of this State; and that unless the plaintiff filed a statement in his office within thirty days from the date thereof, that he would comply with the statutes as interpreted by the commissioner, and would revoke the plaintiff's license to do business in this State. Before the expiration of the thirty days so fixed by the commissioner this action was commenced to restrain him from revoking the plaintiff's license, as mentioned in the statement of facts. The substance of the complaint and answer, and the findings of fact and conclusions of law made by the trial court, and the judgment dismissing the action, are sufficiently set forth in the foregoing statement.

It is claimed that the decision of the Commissioner of Insurance, as affirmed by the trial court, should be sustained upon either of two grounds. (1) The first ground upon which it is so claimed, materially calling for consideration, is, that the plaintiff is not authorized by the laws of New York to issue such "deferred dividend insurance"—wherein, by the terms of the contract, the accumulated assets or surplus was only to be distributed in longer periods than five years—usually ten, fifteen or twenty years. True, as stated by the commissioner, and found by the trial court, the provisions of the original charter of the plaintiff—issued under the laws of New York in 1859—declared, in effect, that the insurance business of the company should be "conducted upon the mutual plan"; that "within sixty days from the expiration of the first five years, * * and within the first sixty days of every subsequent period of five years," the officers of the company should "cause a balance to be struck of the affairs of the company, which" should "exhibit its assets and liabilities" and also its "net surplus, after deducting a sufficient amount to cover all outstanding risks, and other obligations"; and that each policyholder should "be credited with an equitable share of the said surplus"; and that "such equitable share" should "be applied to the purchase of an additional amount of insurance," or "to the purchase of an annuity," as therein provided. The trial court also found, in effect, that prior to 1868 the plaintiff, pursuant to such charter provisions and to law, did so distribute among all its dividend participating policyholders its surplus funds; that in 1868 the plaintiff devised a form of policy—now known as "deferred dividend policies"—as already mentioned; that the plaintiff began the issue in Wisconsin of such deferred dividend polices, wherein the apportionment of dividends was deferred for more than five years in 1871. But it is alleged in the complaint and is expressly admitted in the answer, that by Section 87 of the General Laws of the State of New York—first enacted as Chapter 118 of the General Laws of New York for the years 1868—it was provided that: "Any

domestic life insurance corporation which by its charter or articles of association is *restricted* to making a dividend only once in two or more years, may hereafter, notwithstanding anything to the contrary in such charter or articles, make and pay over dividends annually, *or at longer intervals,* in the manner and proportions, and among the parties provided for in such charter or articles." By Section 83 of the General Laws of the State of New York—first enacted as Chapter 100 of the General Laws of 1872—it was provided, that: "Any domestic life insurance corporation may ascertain *at any given time, or from time to time,* the proportion of surplus accruing to each policy from the date of the last to the date of the next succeeding premium payment, *and may distribute* the proportion found to be equitable either in cash, in reduction of preimum or in reversionary insurance, payable with the policy, and upon the same conditions as therein expressed at the next succeeding date of such payment, notwithstanding anything in the charter of such corporation to the contrary." Revised Statutes of New York, Birdseye's Edition, pages 1849 and 1852. Those provisions of the New York Statutes were all considered by the Court of Appeals in Greeff vs. Equitable Life As. So., 160 N. Y., 19, 26-27, 31. That was an action by a policyholder to recover $7,087.38, as the alleged unpaid balance of the defendant's net surplus, to which the plaintiff claimed to be entitled under the Statutes mentioned. The policy in that case was issued July 1, 1882, and payable May 2, 1897, or upon the death of the assured, if it occurred before, in the sum of $20,000. June 23, 1897, the company paid to the plaintiff $23,932 as the total amount due to the plaintiff, in accordance with the express terms of the contract *as written.* In the opinion of the court it was there said that: "The plaintiff's claim that the whole surplus should be distributed cannot be sustained if it is in conflict with the provisions of the contract between the parties, without making a new contract for them, which the court will not do. Therefore, this question depends for its solution upon a proper interpretation of the provisions of the policy. The parties agreed that the plaintiff should participate in the distribution of the surplus according to the methods and principles adopted by the company. It is to be observed that the agreement was that the plaintiff should participate, not in the whole surplus, but in the distribution of the surplus, or, in other words, in the surplus which, according to the defendant's methods and principles, was to be distributed."

Thus, it appears, that such "deferred dividend insurance" is not only expressly authorized by the statutes of New York—in question—but enforcible by the courts of New York. As conceded by the commissioner and his counsel, "the charter of the company is the source of its very existence." Certainly, the plaintiff "derives its existence, powers and rights solely from the laws" of New York. 13 Am. & E. Ency. L. 2d ed. 837. The courts of that State are abundantly able to enforce and administer such laws. But that fact did not prevent this State from imposing such conditions and restrictions upon corporations of other States, transacting business in this State, as the Legislature saw fit to impose. This was forcibly declared in Paul vs. Virginia, 8 Wall. 168, and has frequently been sanctioned by the same court since, and has repeatedly been followed by this court. The State vs. The U. S. M. A. As. 67 Wis. 629-630, and cases there cited. Ashland Lumber Co. vs. Detroit Salt Co. 114 Wis. 78 and cases there cited. There is nothing in the record indicating that such deferred insurance policies were issued in violation of any statute of New York; and hence the revocation of the license cannot be justified on that ground.

2. But the principal ground urged in support of the judgment of the trial court, is that the issuance of such deferred insurance policies, to citizens of this State, by the plaintiff, and such other companies, was in violation of the statutes of this State and particularly the section which declares, that: "Every life insurance corporation doing business in this State upon the principle of mutual insurance, or the members of which are entitled to share in the surplus funds thereof, *may* make distribution of such surplus as they *may* have accumulated annually, or once in two, three, four or five years as the directors thereof may from time to time determine. In determining the amount of the surplus to be distributed *there shall be reserved* an amount not less than the aggregate net value of all the outstanding policies, said value to be computed by the American experience table of mortality with interest not exceeding 4½ per cent." Section 1952, Statutes 1898. There can be no doubt that during the period mentioned, the plaintiff was an "insurance corporation doing business in this State upon the principle of mutual insurance," within the meaning of that section. The charter of the plaintiff declared, that such business of the company should "be conducted upon the mutual plan"; and that it was so conducted, is, in effect, conceded. So the members of the plaintiff corporation, under that section of the statute, were undoubtedly "entitled to share in the surplus funds thereof," whenever the "distribution" of the same should be made. The controversy is as to whether, under that section, it was competent for the plaintiff by contract with citizens of this State, to defer such "distribution" for a longer period than five years. The language of the section is, that such corporation "*may* make distribution of such surplus * * annually, or once in two, three, four or five years as the directors thereof *may* from time to time determine." The word—"may"—in its ordinary and common use, is certainly permissive and not mandatory. But it is claimed with much plausibility, that if the purpose of the section was to make it optional with the directors of such corporation, whether such distribution should be "annually," or "from time to time"—as they might "determine"—then the use of the words —"once in two, three, four or five years"—are without significance. Such language, however, is immediately followed in the section by the statement, that "in determining the amount of the *surplus* to be distributed *there shall be reserved* an amount not less than the aggregate net value of all the outstanding policies, said value to be computed" as therein stated.

There can be no question but what the words "shall be reserved" as thus used, are mandatory; and since no distribution can be made except from such "surplus funds," nor from such funds until the amount thereof, so "reserved," shall, at least, be equal to the "aggregate net value"—mentioned—it is obvious that such distribution might thereby be wholly prevented during such five years. The two parts of the section relate to the same subject and both must be considered in construing the same. Such use of the words "may" and "shall" in the same section have been said to afford a very forcible indication of the intention of the Legislature. Suth. on Stat. Con. Sec. 462. 2 Lewis' Suth. Stat. Con. 2d ed. Sec. 640. It is there said, that "the use of words that are plainly compulsory in one aspect, and the use of others which literally are permissive in another, necessarily leads to an inference that the primary meaning is to be retained." Thus, in a New York case, it is said by the court, and held, that: "The words 'may' and 'shall' are both used; the former to confer a privilege, the latter as a mandate. It is presumed that the attention of Congress was drawn to the distinction between the ordinary import of the two words, and that they were used with reference to that distinction, and hence that, if it had been designed to limit prosecutions to the specified courts, the same word would have been employed as in limiting a particular proceeding to a specified court." Cooke vs. State National Bank, 52 N. Y. 96. 105-6. To the same effect: People ex rel. Comstock vs. City of Syracuse, 59 Hun. 258. 267. Reynolds vs. Board of Education, 33 App. Div. S. C. 88. So the Indiana court has said, that where "the words 'shall' and 'may' are used in different connections, it very strongly indicates that the terms were so used, deliberately and with a due sense of discrimination, ascribing to each its literal signification. Statutory provisions upon the same subject should be construed with reference to each other, and as parts of the general system of jurisprudence, with a view of promoting harmony and symmetry in such system." Budd vs. Rutherford, 4 Ind. App. Ct. 390. So Mr. Justice Mitchell, speaking for the Minnesota court, said, that: "In the body of the act it will be observed that the Legislature has in every instance used the words 'may' and 'shall' in such a manner as to clearly show an intention to give to each its common meaning. The word 'may' is always used with reference to the granting of the extension, while the word 'shall' is uniformly used with reference to the conditions on which it is to be granted, as well as the acts to be performed by different officials, including the city council, after the extension has been granted." State ex rel. Bell vs. City Council, 65 Minn. 299. Minor vs. Mechanics Bank, 1 Peters' 46. 63-4; Rothschild vs. New York Life Ins. Co. 97 Ill. App. Ct. 547. These cases will again be referred to later. Certainly a construction which would make the two clauses repugnant to each other, should not be indulged unless absolutely required by the context. True, there are numerous cases where the word "may" has been construed to mean "must," but as held in cases cited by counsel for the defendant, "the word *may* means *must* or *shall* only in cases where the public rights or interests are concerned, or where the public or third persons have a claim de jure that the power should be exercised." Cutler vs. Howard, 9 Wis. 309. The Market Nat. Bank vs. Hogan, 21 Wis. 322. See also State ex rel. Burnett vs. Pierpont, 29 Wis. 608; State ex rel. McDill vs. the State Canvassers, 36 Wis. 498. 506; Butcher vs. Butcher, 39 Wis. 666. But as said by Dixon, C. J., in the first of these cases, "when the act to be

done is not clearly beneficial to the public or third persons, the exercise of the power is held to be discretionary." The ruling in that case follows what is perhaps the leading case in this country upon the subject. Newburgh Turnpike Co. vs. Miller, 5 John. Ch. 101, 112-113. Chancellor Kent there reviews the English cases on the subject with his usual learning and ability, and deduces the rule as mentioned. As indicated in some of those cases, where the word "may" is used in a statute which directs the doing of a thing for the sake of justice, or the public good or imposes a duty, enforcible, as such, it is to be construed as being mandatory.

While sanctioning the ruling in that case, it was held in a more recent case in that State, that: "When a statute declares that an individual or individuals *shall* or *may* do certain acts, or have a certain remedy, which is intended for his or their own benefit, he or they have a discretion to do the act, or pursue the remedy, or not." Malcolm vs. Rogers, 5 Cow. 188. See also The Mayor, etc., vs. Furze, 3 Hill, 612; Buffalo Plank Road Co. vs. Cairns, 10. How. Pr. 572; People ex rel. Conway vs. Supervisors, 6 Hun. 572; Medbury vs. Swan, 46 N. Y. 200; State vs. Sweetsir, 53 Me. 438; Brokaw vs. Com'rs. 130 Ill. 482; Seiple vs. Borough, 21 N. J. L. 407. The general rule mentioned has long been recognized by the Supreme Court of the United States. Minor vs. The Mechanics' Bank, 1 Peters, 46, 64. In that case Mr. Justice Story, speaking for the court, adds, what may be instructive here, as follows: "Without question, such a construction is proper, in all cases where the Legislature mean to impose a positive and absolute duty, and not merely to give a discretionary power. But no general rule can be laid down upon this subject, further than that that exposition ought to be adopted in this, as in other cases, which carries into effect the true intent and object of the Legislature in the enactment. The ordinary meaning of the language must be presumed to be intended unless it would manifestly defeat the object of the provisions." In a late case, construing a statute of the State of Louisiana, and expressly sanctioning the language just quoted, it was held that: "The provision * * that the surplus of the revenues of parishes and municipal corporations for any year may be applied to the payment of the indebtedness of former years is not mandatory, but only permissory, and creates no contract right in a holder of such indebtedness of former years, which can be enforced by mandamus." United States vs. Thoman, 156 U. S. 353. Mr. Justice White, writing the opinion of the court in that case, adds, by way of quotation and otherwise, that: "It is only where it is necessary to give effect to the clear policy and intention of the Legislature that such a liberty can be taken with the plain words of the statute." "In the law to be construed here it is evident that the word 'may' is used in special contradistinction to the word 'shall,' and hence there can be no reason for taking such a liberty. The Legislature first imposes an imperative duty, the application of the revenue of each year to the expenses thereof, and then makes provision for the case of an excess of revenue over expenses. In the first the word 'shall' and in the latter provision the word 'may' is used, indicating command in the one and permission in the other." Pages 359-360. The facts in that case are, in some respects, similar to the facts in this case.

3. It is claimed by both parties that the history of the section in question shows the intention of the Legislature in passing it. Sec. 1952, Stats, 1898. That section is the same as Section 14 of Chapter 59, Laws of 1870, and Section 1952 of the Revised Statutes of 1878, except that up to the enactment of Chapter 309 of the Laws of 1887, it also included accident insurance. It is pointed out by the defendant that the bill for the enactment of Chapter 59, Laws of 1870, was reported by a committee, under instructions "to inquire what legislation" was "necessary in regard to the business of insurance in this State, in order to afford proper *protection to policyholders,* and more systematically to establish the regulation of insurance business in this State." It is, moreover, stated by the defendant and alleged in the answer, in effect, that prior to "1870 all life insurance companies doing business on the mutual plan in the United States had made provision for the distribution of profits or surplus among their policyholders at periods of five years or less," or as so alleged, in "one, two, three, four or five years."

It was expressly conceded by the defendant on the trial, "that at the time of the passage of this act in 1870, the longest period for which dividends were deferred in mutual companies was five years." It is argued by the plaintiff, that this of itself shows, that the evil sought to be guarded against by that enactment, was not an over accumulation of assets and a failure to distribute dividends, but the lack of protection against insolvency. In other words, it is claimed that the object of such enactment was "to afford proper protection to policyholders," by safeguarding the solvency of such insurance companies; that prior to that time the only requirement in that regard, in this State, was, that such companies must have a paid up capital of $100,000 without providing for any reserve; and requiring that an annual statement should be made to the Secretary of State. That the purpose was to safeguard the solvency of such companies is apparent from the fact that the accumulation of reserve fund, mentioned in Section 14 of the act of 1870 (Section 1952) is provided for in Section 10 of the act of 1870. (Section 1949.) Up to the time of that enactment, the statute of Massachusetts on the subject used the permissive word—"may"—in connection with the distribution of the surplus fund—and the mandatory word—"shall"—in connection with such reserve fund. The same was true with the act of March 26, 1869, of Illinois, from which our Chapter 59 of the Laws of 1870 was largely taken, and from which the tenth and fourteenth sections were almost literally copied. The only direct adjudication upon the language contained in Section 1952, Statutes of 1898, which is in substance the same—as Section 14 of Chapter 59 of the Laws of 1870—is an Illinois case. Rothschild vs. New York Life Ins. Co. 97 Ill. App. Ct. 547.

That case is in harmony with the adjudications mentioned and expressly held, that: "Section 14 of that act "is not a grant of power, but is perhaps a limitation on the power of such companies to distribute their surplus funds oftener than once a year. In the absence of such a provision, the time of distribution would depend on the directors except so far as limited by the charter of the company or valid bylaws." After discussing the rules of construction—generally—the court used this language: "Applying these rules to the words 'may' and 'shall' in Section 14, the former must be regarded as permissive and the latter as imperative. We can conceive of no good reason, nor are we aware of any rule of interpretation, which would warrant the holding that the words 'may' and 'shall' are used in the same sense in the section, and that imperative. Therefore we cannot sustain the contention that the section requires distribution of surplus at least once in every five years, or that the contracts between the company and appellant, assuming that such contracts contain the charter provision in regard to distribution of surplus, are in violation of Section 14." Page 555. We see no escape from the conclusion thus reached. For more than thirty years prior to the controversy in question the language of the statute has remained substantially the same. During that time it has seemed to be the consensus of opinion, on the part of State officials and legislators, as well as such insurance companies, that the time of distribution was permissive, but that the amount of the reserve fund was mandatory. Apparently, upon the faith of such opinion, the vast aggregate amount of deferred dividend insurance policies mentioned were issued. That such was the consensus of opinion is manifested from the fact that the Insurance Commissioner attempted in 1901 and again in 1903 to have the section of the statute in question amended so as to make the time of such distribution mandatory instead of being permissive—as indicated.

But such efforts failed. Thus, it appears that the history of the section and the practical construction given to it, are in harmony with the permissive meaning of the word "may" and the mandatory meaning of the word "shall," as ordinarily understood; and we find nothing in the context of the section, nor any of the rules of law, mentioned, requiring us to give to those words a different meaning. There is nothing in the record to indicate that the plaintiff has failed to comply with any provision of law of this State—much less that it has violated any law of this State—within the meaning of the statutes authorizing a revocation of such license to do business in this State. Secs. 1955, 1968, 1972a.

4. It should be observed that the trial court not only affirmed the decision of the Insurance Commissioner in revoking the plaintiff's license to do business in this State, but also found, as a conclusion of law, that such dividend policies, so issued by the plaintiff, in which the distribution was deferred beyond a period of five years, was "unlawful"; and judgment was entered thereon accordingly. Thus, it was adjudged in this action, that the numerous policies issued by the plaintiff to citizens of this State—aggregating several millions of dollars—as found by the trial court—were all *unlawful*—and that, too, without any of the holders of such policies having been made parties, or given a hearing, or having appeared in the action. Such gratuitous finding and adjudication must have escaped the notice of the learned trial judge.

By the Court—The judgment of the Circuit Court is reversed and the cause is remanded with direction to grant the relief prayed for in the complaint.

Fire Insurance Business in Maryland in 1904.

(Compiled from the Baltimore Underwriter.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.	Conflagration Loss of Feb. 7, 1904.
Companies of Maryland.				
Baltimore Equitable	$3,288,616	$100,110	$1,927,306	$1,915,517
Baltimore*	.....	.....	.....	837,537
Firemen's*	.....	.....	.....	1,071,000
German	22,665,251	166,963	968,848	924,497
German-American	7,048,363	52,911	340,601	330,562
Home*	.....	.....	.....	500,000
Maryland*	.....	.....	.....	75,400
Maryland Mutual	409,450	5,618	140	140
Mutual	741,796	9,301	234	234
Old Town*	.....	.....	.....	112,000
Patapsco Mutual	535,670	6,919	187	187
Peabody*	.....	.....	.....	691,641
Security	991,926	9,744	216,054	215,000
Tidewater, Md.	25,420	561	6,399	6,399
Totals	$35,681,072	$351,566	$3,453,370	$6,680,114
Companies of Other States.				
Ætna, Conn.	$5,376,740	$61,067	$580,365	$564,991
Agricultural, N. Y.	3,807,000	38,497	413,256	382,994
American, Philadelphia	4,141,480	46,347	305,062	281,656
American, New Jersey	1,555,231	18,039	252,249	244,263
American, Mass.	795,824	9,874	136,217	128,736
American Central, Mo.	1,148,359	14,266	181,010	172,405
Anchor, Ohio	323,292	8,993	91,456	83,874
Assurance of America	868,880	8,296	190,470	183,309
Ben Franklin, Pa.	330,224	5,718	2,134	.....
Boston, Mass.	6,327,470	53,890	268,715	258,235
British-American	.....	.....	.....	37,000
Citizens, Mo.	1,905,014	28,203	85,194	76,531
Colonial, New York	.....	.....	.....	.....
Commerce, N. Y.	275,211	2,837	651	.....
Connecticut, Conn.	2,072,800	24,873	299,643	290,787
Continental, New York	7,034,062	90,920	980,764	924,519
Delaware, Del.	.....	.....	.....	75,000
Delaware, Philadelphia	684,197	12,692	151,251	142,469
Dutchess, N. Y.	675,612	9,376	118,451	111,255
Equitable F. and M.	1,243,529	14,664	132,354	121,298
Equitable, S. C.	.....	.....	.....	60,000
Farmers, Pa.	2,842,622	38,556	139,569	117,193
Federal, N. J.	1,285,638	9,787	42,770	41,172
Firemen's, N. J.	2,130,537	18,123	2,209	.....
Fire Association, Phila.	4,732,151	57,002	400 646	381,038
Fire Ins. Co., Phila.	782,428	8,144	1,813	.....
Fireman's Fund, Cal.	7,863,741	66,456	360.996	351 592
Franklin, Philadelphia	1,207,971	13,268	185 447	183 675
German, Freeport	1,605.454	13,236	193	.....
German, Peoria	665,482	10,233	110,229	102,697
Georgia Home	1,363,269	16,644	226,022	167,110
German Alliance	613,643	7,839	70,660	65 471
German-American, N. Y.	8,336,343	99,829	706,123	640,735
German-American, Pa.	557,125	6,299	74.421	69,606
Germania, New York	6,427,060	43 321	280,739	264,598
Glens Falls, N. Y.	1,893,502	18,563	196,967	175,000
Globe and Rutgers	1,692,386	28,293	2,004	131,456
Girard, Pa.	911,440	6,731	582	.....
Hanover	4,470,699	52,174	435,180	367,469
Hartford	12 272.637	141,257	1,312,753	1,218.844
Home, New York	26.875,816	217,467	1,224.881	1,054 814
Home, California	1,331,952	14,355	128.574	123,453
Indemnity, New York	478,838	6,318	46,350	43,521
Ins. Co. of North America	18,231,173	121,852	570,256	546,057
Kent Co. Mutual, Del.	2,459,739	13,333	19,176	.....
Mercantile, Mass.	256,083	3,982	30.508	52 251
Milwaukee Mechanics	2,039,680	24,839	327,317	319,328
National, Conn.	6,584,786	70,579	645,759	620,735
National Union, Pa.	1,607,588	20,092	132 145	126,770
New Hampshire	3,772,423	37,873	501,575	482,413
Niagara	2 509 966	29,115	293,351	265,314
Northern, N. Y.	449,044	8,372	198,043	143,788
Northwestern National	3,236,300	18,127	110,066	105,790
North Brit. & Mer., N. Y.	547,019	4,532	16,397	15,801
Orient, Conn.	1.659,769	15,752	152.299	146 569
Pennsylvania	8,757,983	88,402	426,400	380,398
Phenix, N. Y.	7,343,738	77,556	484 011	437 251
Phœnix, Conn.	3,829,052	45,703	356,641	337,239
Providence-Washington	5,046,530	49,624	196 163	148,672
Queen, New York	2,318,870	22 660	433,120	425,939
Reliance, Philadelphia	888,128	9,465	147,611	141,462
Rochester German	1,808,448	20,314	255,066	247,961
Security, Conn.	925,156	8,985	1,198	.....
Springfield, Mass.	4,716,096	61,231	461,850	441,258
Spring Garden, Phila.	1,164,464	17,868	164,447	154,539
Star, Ky.	209,266	4,286	5,097	.....
St. Paul, Minn.	2,825,571	30,409	187 329	172,094
Tobacco Planters, N. C.	65,772	1,502	255	.....
Traders, Ill.	1,042,816	14,455	204.915	198,176
Union Philadelphia	589,065	6,283	88,032	81,803
United Firemen's, Pa.	254,892	5,608	102,787	100,210
Westchester	2,147.282	30,499	260,213	249.427
United States	527,520	5,160	69,451	66,931
Williamsburgh City	685,596	10 061	172,172	151,458
Totals	$217,344,474	$2,220,966	$17,152,020	$16,152,329
Foreign Companies.				
Aachen & Munich	$973,687	$11,740	$167,978	$159,427
Atlas	1,683,419	22,064	236.737	225,683
British America	1,561,858	22,772	232,934	207.661
British and Foreign	2,056 776	7,198	25,481	19.985
Caledonian	2 189,692	25 685	251.452	248,293
Commercial Union	3,551,533	46,618	461,726	384,115
Law Union and Crown	622,948	10,420	115,017	111.474
Liv., Lon. and Globe, Liv.	4.775,272	65,862	918,052	908,775
London Assurance	1,993.758	25,969	203,512	195.651
London and Lancashire	4,875,444	39,077	341,834	295.546
Manchester	1,329,044	11,774	252,378	230.392
Manheim	220,633	853	17,999	7,763
National, Ireland	.....	.....	.....	140.570
North Brit. & Mer., Lon.	8.262,265	96,936	838,942	792,333
Northern, London	7,592 068	67,150	984,993	959,368
Norwich Union, England.	4,977 937	59,317	600.762	574.421
Palatine	886 088	15,176	203.443	195,718
Prussian National	683,727	5,308	5.419	.....
Phœnix, London	5,218,666	68,750	518 967	472.769
Royal, Liverpool	9,142,312	90,594	1,042,650	1,002.344
Royal Exchange	4,430,663	47,177	415,466	402,598
Scottish Union and Nat.	1,552,501	18,618	154.708	147.236
State	343,257	5.632	76,045	72 866
Sun	3,694,707	48,923	590.621	578.562
Union, London	2.447,851	31,805	343,930	337,155
Western, Canada	5,633,210	75,115	409.766	344,583
Totals	$81,693,316	$920,533	$9,411,712	$8,106, 03
Grand totals	$334,718,862	$3,493.065	$30,017,102	$30,938,646
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.				
1903	$284,796,855	$2,937.961	$1,605, 39	.....
1902	273.598.054	2,656.983	1,280,166	.....
1901	248,965,210	2,314,758	1,548,013	.....
1900	250,383 873	2,136.651	1,168,806	.....
1899	224,838,054	1,969,315	700,765	.....
1898	317,971,930	1,882.027	1,032,022	.....
1897	218,278,386	1,949,998	768,190	.....
1896	201,213.720	1,763,268	793,271	.....
1895	206,288 859	1,841.560	722 576	.....
1894	214,414,675	1,859,261	954,875	.....
1893	217,470.280	1,750,443	1,546,829	.....
1892	222,927,705	1,690.010	956,298	.....
1891	211,591,612	1 568.268	873,099	.....
1880 to 1890.	2,322,677,802	14,586,764	8,951,964	.....

* Retired from business in consequence of the Baltimore fire.

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 128.4. The percentage in 1904 was 909.9.

Fire Insurance Business in Connecticut in 1904.

(Compiled from the Annual Report to the Insurance Commissioner.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Stock Companies of Connecticut.			
Ætna, Hartford	$16,025,165	$152,947	$39,407
Connecticut Fire, Hartford	5,621,800	60,716	24,407
Hartford Fire, Hartford	12,427,979	144,378	46,282
National Fire, Hartford	10,775,028	99,238	39,604
Orient, Hartford	4,782,652	33,310	15,845
Phœnix, Hartford	9.880.763	93,031	28,177
Security, New Haven	7,188 521	65,054	13,970
Totals	$66,701,908	$648,675	$207,692
Mutual Companies of Connecticut.			
Danbury, Danbury	$418,375	$2,585	$261
Farmers	33,600	173	6
Farmington Valley, Farmington	17,100	123	.....
Greenwich, Greenwich	52,152	290	.....
Guilford	17,750	345	.....
Hartford County, Hartford	10.586 645	74,349	52.295
Litchfield, Litchfield	1 605,018	10,093	14.524
Madison, Madison	154.595	927	3,185
Middlesex, Middletown	14 684,229	115,997	73,665
Mutual, Norwich	160.165	401	15
New London County, Norwich	6,467,162	56,603	41.017
Rockville, Rockville	150,510	1,258	2,288
Windham County, Brooklyn	1,434,298	14,211	11,849
Totals	$35,781,599	$277,353	$199,106

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Stock Companies of Other States.			
Agricultural, Watertown	$2,628,800	$21,435	$3,719
Albany, Albany	692,790	7,813	3,080
American, Boston	997,551	13,376	6,541
American, Newark	2,167,774	23,485	7,871
American Fire, Philadelphia	2,611,923	29,008	10,127
American Central, St. Louis	3,344,187	38,493	11,265
Assurance Co. of America, New York	875,182	9,338	10,392
Boston, Boston	4,169,943	48,795	18,384
British American, New York	197,539	2,429	692
Buffalo Commercial, Buffalo	720,710	7,561	1,756
Buffalo German, Buffalo	1,612,781	14,678	7,705
Caledonian American, New York	576,287	6,898	903
Camden, Camden, N. J.	967,066	11,381	3,756
Capital, Concord	385,698	7,792	4,295
Citizens, St. Louis	1,077,338	14,242	4,925
Colonial, New York	1,271,507	12 844	5,268
Commerce, Albany	477,785	4,893	1,083
Commercial Union, New York	913,829	10,475	373
Concordia, Milwaukee	595,200	8,508	39
Continental, New York	6,960,904	79,821	29,283
Delaware, Philadelphia	1,202,300	13,586	6,523
Dutchess, Poughkeepsie	2,426,238	24,238	10,115
Equitable Fire and Marine, Prov.	2,011,216	22,146	3,303
Federal, Jersey City	434,580	3,702	
Fire Association, Philadelphia	4,181,904	48,038	29,293
Fireman's Fund, San Francisco	2,005,916	30,966	14,974
Firemen's, Newark	2 384 805	23 201	13,455
Franklin Fire, Philadelphia	1,201,902	13,415	5,859
German, Freeport	3 036,562	30,312	21,376
German Alliance, New York	1,977,014	24,137	5,070
German-American, New York	8,425,580	64,427	19,152
Germania Fire, New York	5,575,919	56 871	19,976
Girard Fire and Marine, Philadelphia	1,115,727	9,852	5,718
Glens Falls, Glens Falls	2,275,771	21,148	12,046
Globe and Rutgers, New York	1,865,463	20,362	204
Granite State Fire, Portsmouth	1,447,509	14,728	3,691
Hanover Fire, New York	3,584,982	38,192	8 977
Home, New York	9,982,145	90,775	34,246
Home F. and M., San Francisco	954,683	9,789	2,872
Indemnity Fire, New York	505,420	5 823	4,686
Indianapolis, Indianapolis	133,299	1,780	583
Insurance Co. of North America	16,106,475	191,391	72,728
Mechanics and Traders, New Orleans	723 987	7,76[illegible]	2,802
Mercantile Fire and Marine, Boston	1,197,443	14,245	5,001
Michigan Fire and Marine, Detroit	604,042	7,032	2,353
Milwaukee Mechanics, Milwaukee	1,446,746	16,347	3,358
National Union, Pittsburgh	1,115,274	12,453	2,006
New Hampshire Fire, Manchester	3,759 060	39,755	13,049
New York Fire, New York	523,055	4,977	1,086
Newark Fire, Newark	212,416	2,204	1,474
Niagara Fire, New York	3,124,706	38,187	11,453
North British and Mercantile, N. Y.	458,916	2,763	242
North River, New York	1,644,326	20,210	9,432
Northern, New York	999 627	6,995	464
Northwestern National, Milwaukee	2,115,470	15 811	6 790
Pelican, New York	231,962	2,915	1,576
Pennsylvania Fire, Philadelphia	3,368 639	40,756	22,260
Phenix, Brooklyn	3 658,194	37,283	7,490
Providence-Washington, Providence	4,591,250	44,038	13,681
Queen, New York	3,132,041	34,284	9,191
Reliance, Philadelphia	1,236,740	12 337	3,298
Rochester German, Rochester	1,916,803	24,638	5,980
St. Paul Fire and Marine, St. Paul	1.394,134	13,509	4,895
Spring Garden, Philadelphia	1,778,591	21,183	10,573
Springfield F. and M., Springfield	4,569,461	49,918	21.657
Star Fire, Louisville	151,314	2,527	2,432
Teutonia, New Orleans	1,872,045	15 904	5,195
Traders, Chicago	1,836,683	20,333	9,269
Union, Philadelphia	936,441	9,213	5.674
United Firemen's, Philadelphia	1,294,548	16,950	3,086
United States Fire, New York	2 069,856	21,751	11,500
Westchester Fire, New York	5,955.647	65,095	26,690
Western, Pittsburgh	1,400,906	13,295	4,461
Williamsburgh City Fire, New York	4,106,317	42,576	17,013
Totals	$170,696,844	$1,807,310	$672,732
Mutual Companies of Other States.			
Fitchburg, Fitchburg	$682,072	$8,470	$4,947
Holyoke, Salem	831,375	10,752	6,702
Merchants and Farmers, Worcester	842,837	9,898	2,934
Providence, Providence	594,900	5,424	4,805
Quincy, Quincy	368,675	4,626	3,376
Traders and Mechanics, Lowell	676,825	8,297	3,479
Totals	$3,996,684	$47,466	$26,242
Companies of Foreign Countries.			
Aachen and Munich, Aix-la-Chapelle	$1,941,684	$23,526	$13,973
Atlas, London	1,327,749	14,586	4,332
British America, Toronto	906,479	11,602	6,715
Caledonian, Edinburgh	4,573 269	55.145	17,422
Cologne, Cologne	1,527,149	15,768	5,102
Commercial Union, London	5,294,656	45,277	15,918
Hamburg-Bremen, Hamburg	2,097,206	23,084	13,265
Law Union and Crown, London	442.015	2,734	73
Liverpool and London and Globe, Liv.	7,168,165	84 090	51.264
London Assurance Corp., London	2,632,878	27,848	9,330
London and Lancashire, Liverpool	3,447,933	32,458	11,027
National Fire, Dublin	$1,531,350	$20,465	$18,385
North British and Mercantile, London	5,097.696	46,015	24,869
Northern, London	4,431.694	36,403	27,134
Norwich Union, Norwich	3,765.883	38,067	15,761
Palatine, London	1,517,600	15,159	2,031
Phœnix, London	2,424,181	27,077	19,495
Prussian National, Stettin	1,262,308	12,500	7,182
Royal, Liverpool	15,380,568	130,211	76,424
Royal Exchange, London	4,580,303	34,283	15,664
Scottish Union and Nat., Edinburgh	4,316,352	39,638	7,483
State Fire, Liverpool	267,154	1,721	21
Sun, London	2,659,883	35,453	17,033
Svea, Gothenburg	779,382	9,646	3,968
Union, London	1,815,889	12,995	491
Western, Toronto	2,303,928	22.029	6,189
Totals	$83,493 354	$817,774	$390,550
Grand Totals	$360,670,389	$3,598,558	$1,496,323
COMPARISONS WITH BUSINESS OF PREVIOUS YEARS.			
1903	$350,394,121	$3,454,996	$1,198,886
1902	351,065,348	3,402,083	2,427,979
1901	345,155,720	2,954,536	1,385,411
1900	335,555,452	2,854,194	1,395,221
1899	324,652,451	2,801,779	1,372,539
1898	319 938 839	2.710,075	1,262,956
1897	331,454,556	2,730,744	1,105,552
1896	307,539,659	2,717,368	1,376,923
1895	282,000,771	2,586,[illegible]28	1,241,877
1894	221,828,297	2,171,851	927,191
1893	230,354,580	2,141,835	1,014,102
1892	226,683,733	2,055 054	1,040,298
1891	195,234,620	1,839,174	705,628
1890	180,562,237	1 831,195	808,533
1880 to 1889	1,562,028,513	15,647,849	7,764,574

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 48.0. The percentage in 1904 was 41.5.

Saved by the Scissors.

DO NOT FORGET.

We sometimes hear a familiar pessimistic note upon the discontent of our time. Not the noble discontent that is the prelude to new and resolute exertion in behalf of something better, but that sulky sort that thinks the majority, or a special class, absorbs all the joys of life, while the complainant is cruelly kicked under foot. There is, in fact, altogether too much of this groundless wailing, which, being untrue, makes the critic's case worse than it is. A very able writer has said, and said well: "Be sure no man was ever discontented with the world who did his duty in it."

If one has something to live for—a fixed ideal ahead—the whole environment and vista forward can be changed. Too many live aimlessly. They drift with the tide, or any chance current; they do not ask whither they are going, or on what rocks they may be driven. They use their im-permanent weekly income up by Saturday night, and at the beginning of a new week do the *da capo* act over again. If, in ever so small a sum, they would lay something aside for unlooked for contingencies—a little at first, and other littles later, the life kaleidoscope would turn up a different picture at once. Do not forget that, with the helpful policy assured, all wailing discontent disappears, or as has been so eloquently said:

"The fault, dear Brutus, is not in our stars, but in ourselves, that we are underlings."—*The Statement.*

When a man dies and leaves his fortune to his wife, small wonder she so often squanders it. Had she handled it more freely in its collector's lifetime she would dispense it more wisely after his death.

From the bottom of my heart I feel a deep pity for the average married woman. She earns her money as nobly and as completely as does any day laborer. She keeps a man's house, rears his children, makes his life happy. And for this she receives no pecuniary compensation beyond an inadequate amount of money, too often ungraciously given. Surely a high price to pay for the privilege of writing "Mrs." before her name.

An allowance—a liberal allowance—ungrudgingly bestowed is the solution to more domestic difficulties than this world dreams of.—*Selected.*

National Life Insurance Company of the United States of America.

P. M. STARNES, President.

FINANCIAL STATEMENT, DECEMBER 31, 1904.

ASSETS.

First Mortgage Loans on Real Estate (Ground Value, $3,605,315; Improvements, $1,514,339; Total $5,119,654)		$1,602,758.50
Bonds and Stocks (Market Value, December 31, 1904)		2,479,283.66
Real Estate (Market Value, December 31, 1904)		455,069.12
Cash in Office and in Banks		263,801.88
Loans on Approved Collaterals		36,400.00
Loans to Policyholders on Policies as Security (Reserve Value thereof, $250,000)		142,218.00
Premium Notes on Policies in force (Secured by Reserve of $42,000)		10,844.92
Net Deferred Premiums and Net Premiums in Transit (Reserve charged in Liabilities)		220,009.96
Interest and Rents due and accrued		29,640.80
Reinsurance due from other Companies		5,000.00
Ledger Balance and Bills Receivable (Secured)		1,836.64
Total Admitted Assets		$5,246,863.48

INCOME, 1904.

Premiums	$1,690,426.98
Interest and Rents	212,936.07
All Other	65,290.76
Total Income	$1,968,653.81

RECORD OF 1904.

Amount of Insurance in Force December 31, 1904	$42,097,965.58
Gain in Premium Income Over 1903	26 per cent.
Gain in Payments to Policyholders over 1903	50 per cent.
Excess of Income Over Disbursements	678,962.97
Paid Policyholders in 1904 and Added to the Reserve on Their Policies	1,313,126.50
Total Number of Policyholders December 31, 1904	39,355
Total Paid Policyholders Since Organization and Now Held for Their Protection	$14,403,714.37

LIABILITIES.

Net Policy Reserve		$3,878,593.61
Death Losses in Process of Adjustment		76,809.28
Other Liabilities, including Present Value of Amounts not yet due on Instalment Policies, Premiums Paid in Advance, etc		87,027.79
Surplus Apportioned to Policyholders during 1904	$140,331.63	
Excess Security to Policyholders	1,064,101.17	1,204,432.80
		$5,246,863.48

DISBURSEMENTS, 1904.

Death Claims and Endowments	$341,121.83
Surrendered Policies, Dividends and other Payments to Policyholders	154,479.06
Total Paid to Policyholders	$495,600.89
Insurance Taxes, Licenses and Department Fees, and Taxes on Real Estate	41,979.82
Commissions on New and Renewal Premiums	388,235.76
Medical and Legal Fees, Inspection, Salaries, Printing and Rent	311,160.18
Other Expenses, including Advertising, Postage, Exchange, Telegrams, etc	52,714.19
Total Disbursements	$1,289,690.84
Excess of Income over Disbursements	678,962.97

For an Agency write the Home Office National Life U. S. A. Building, Chicago.

Men of Character are attracted to the Agency Force of the Northwestern

Because the Northwestern accepts business only from regular agents of the Company:

Because Northwestern policies command 100 cents on the dollar. Rebating has been prohibited for ten years.

Northwestern commissions are for Northwestern agents.

BEST RESULTS TO POLICY-HOLDERS.
MOST ATTRACTIVE POLICIES.
ISSUES PARTNERSHIP AND CORPORATION INSURANCE.

For further information or an Agency, address:
H. F. NORRIS, Superintendent of Agencies.

The Northwestern

Mutual Life Insurance Co. of Milwaukee.

H. L. PALMER, President. J. W. SKINNER, Secretary.
Organized 1857.

Assets, Jan. 1, 1904,	$178,200,625.20
Liabilities, including $25 897,879 surplus accumulations held to meet tontine and semi-tontine contracts,	172,585,861.30
General Surplus,	$5,614,763.90

Business of 1903 largest in history of Company.

Purely Mutual, and transacts business only in the United States.

THIRTY-EIGHTH ANNUAL STATEMENT

of the

Union Central Life Insurance Co.

of Cincinnati, Ohio,

FOR THE YEAR ENDING DECEMBER 31, 1904.

ASSETS.

Cash on hand and in banks	$137,291.84
First Mortgage Loans on Real Estate	35,442,335.23
Home Office Property and Other Real Estate owned	543,984.06
Cash Loans on Company's Policies	3,954,169.02
United States Bonds, deposited with Treasurer of Virginia	10,575.00
Premium Notes and Loans on Policies in force	1,574,965.55
Agents' Balances and Cash Obligations	167,605.86
Net Deferred and Unreported Premiums	619,249.12
Interest and Rents due and unpaid	85,430.54
Interest accrued, not yet due	1,356,132.18
Gross Assets December 31, 1904	$43,891,738.40

LIABILITIES.

Reserve Fund required by law		$35,904,955.00
Policy Claims in process of adjustment		131,288.78
Unpaid Dividends and Premiums Paid in advance		110,504.79
Instalment Policy Death Claims not due		256,796.00
Commissions not due and all other obligations		271,505.67
Surplus credited on special forms of Policies	$5,206,503.00	
General Surplus	2,010,185.16	
Gross Surplus		$7,216,688.16
		$43,891,738.40

INSURANCE ACCOUNT.

Total Amount Insured	$216,655,628.00
Policies Issued and Revived in 1904—21,045—insuring	41,322,108.00

GAINS IN 1904.

Gain in Assets	$5,096,594.62
Gain in Income	1,209,174.82
Gain in Premium Receipts	963,516.60
Gain in Interest Receipts	249,760.54
Gain in Surplus	1,037,190.16
Gain in Number of Policies	10,561
Gain in Amount of Insurance	$19,614,729.00

OFFICERS.

JOHN M. PATTISON, President.
R. S. RUST, Vice President. E. P. MARSHALL, Secretary and Actuary.
J. R. CLARK, Treasurer. E. E. HARDCASTLE, Associate Actuary.
I. SMITH HOMANS, J. R. L. CARRINGTON, Assistant Actuaries.
CLARK W. DAVIS, M. D., JOHN L. DAVIS, M. D., Medical Directors.
MAXWELL & RAMSEY, Counsel. ALLAN WATERS, Supt. of Agents.

What is the use of saying "the best company," or "the strongest company," or "the largest company"? They all say these things.

We say simply

The Penn Mutual Life Insurance Co.

OF PHILADELPHIA. Organized 1847.

That tells the whole story

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1905, $831,256.62

CHAS. LYMAN CASE, Manager.

61 PINE STREET, - - - - NEW YORK.

37th ANNUAL STATEMENT

OF THE

Michigan Mutual Life Insurance Co.

For the Year Ending December 31, 1904.

ASSETS.

Cash in Banks	$222,788.17
First Mortgage Liens on Real Estate	7,073,688.81
Real Estate, including Home Office Building, cash value	379,300.64
Loans to Policyholders, secured by Reserves	886,554.76
Agents' Balances	10,733.80
Bonds, cash value	28,750.00
Loans on Collateral	5,500.00
Interest due and accrued	129,524.56
Rents due and accrued	2,033.00
Net Outstanding Premiums secured by Reserve Fund	48,730.07
Net Deferred Premiums secured by Reserve Fund	166,154.92
TOTAL ASSETS	$8,893,758.73

LIABILITIES.

Amount of Reserve Fund, American Table, 4 per cent. and 3½ per cent. from January, 1903	$8,401,645.02
Premiums Paid in Advance	8,647.35
Dividends on deferred premiums	542.83
Death Losses, unofficially reported	6,333.80
All other Liabilities	14,200.85
Surplus	462,388.88
TOTAL LIABILITIES	$8,893,758.73
Increase in Assets	$538,440.44
Policies in force December 31, 1904	33,623
Amount insured thereby, including Additions	$45,415,750.56
Total Amount Paid Policyholders since Organization	12,107,494.77

O. R. LOOKER.....President
C. A. KENT.....First Vice President and Counsel
HOYT POST.....Second Vice President
A. F. MOORE.....Secretary
THERON F. GIDDINGS.....General Superintendent of Agencies
G. W. SANDERS.....Actuary
T. E. McDONOUGH.....Assistant Secretary
B. A. WELSTEAD.....Assistant Actuary
J. P. DAWSON.....Cashier
A. H. WILKINSON.....Attorney
C. A. DEVENDORF, M. D.....Medical Director
J. D. PICKARD, General Agent, 614 Dun Building, New York City.

1851 Phoenix Mutual Life Insurance Company 1904

OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance.

The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.

JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

The Columbian National Life Insurance Company

BOSTON, MASS.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

PERCY PARKER, President. **WM. BUTLER WOODBRIDGE,** Second Vice-President.

Established 1782.

Phœnix Assurance Company, Ltd.,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.

Head Office for the United States, 47 Cedar St., N. Y.

A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, JR., Sec.

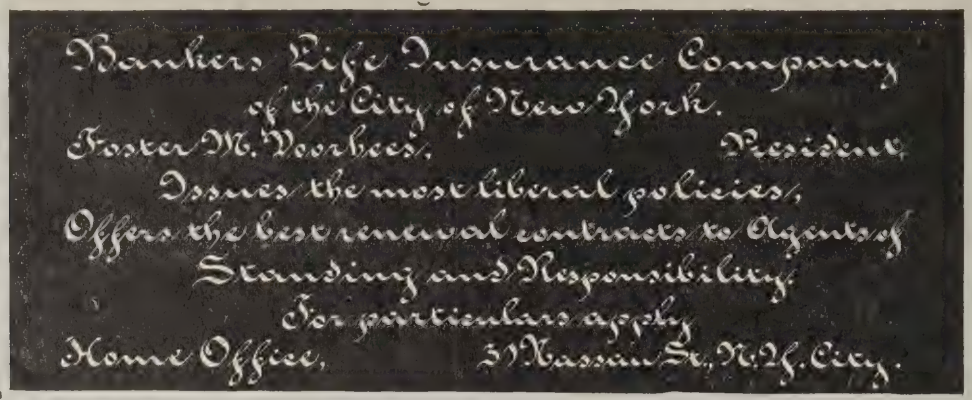
National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.



INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Sec'y.

Agencies in all the principal cities of the United States.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y

Telephone: 3894 John.

FORTY-FOURTH YEAR.

THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.

For a DEFINITE PROMISE to PAY, well defined, no experiment and taking no chances that technical legal definitions of what constitutes an accident will be used to defeat claims, BUY YOUR INSURANCE in and SELL the policies of

"THE CENTRAL," of Pittsburg, Pa.

Its management will tell you in YES or NO answers what it covers and what it does not cover. AGENTS WANTED.

For particulars address **The Central Accident Insurance Co., Pittsburg Pa.**

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS—December 31, 1904	$37,071,297.57
LIABILITIES	33,770,674.54
SURPLUS	3,300,623.03

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Vice-President.
W. H. SARGEANT, Secretary.

New York Office: Empire Building, 71 Broadway.

GEORGE J. WIGHT, Manager of Agents for Southern New York.

FORTY-FIFTH YEAR.

HOME LIFE INSURANCE COMPANY

OF NEW YORK.

GEORGE E. IDE, President.

Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus,	1,134,104.25	1,362,315.56
Insurance in Force,		74,892,289.00

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

"The Leading Fire Insurance Company of America."

ÆTNA INSURANCE CO. HARTFORD, CONN

Incorporated 1819. **Charter Perpetual.**

Cash Capital,	$4,000,000.00
Cash Assets,	15,814,054.98
Total Liabilities,	5,367,203 89
Net Surplus,	6,446,851 09
Surplus as to Policyholders,	10,446,851.09
Losses Paid in 86 Years,	99,899,109.49

WM. B. CLARK, President.
W. H. KING, Secretary.
A. C. ADAMS, HENRY E REES, C. J. IRVIN, A. N. WILLIAMS, Assistant Secretaries.

WESTERN BRANCH, Traction Building, Cincinnati, O.
KEELER & GALLAGHER, General Agents.

NORTHWESTERN BRANCH, Omaha, Neb.
WM. H. WYMAN, Gen. Agent. W. P. HARFORD, Ass't Gen. Agent.

PACIFIC BRANCH, San Francisco, Cal.
BOARDMAN & SPENCER, General Agents.

INLAND MARINE DEPARTMENT,
CHICAGO, 145 La Salle St. NEW YORK, 50 and 52 Pine St.
BOSTON, 137 Milk St. PHILADELPHIA, 226 Walnut St.

The Preferred Accident Insurance Co.
OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.
January 1, 1904.

Assets,	**$1,152,330**
Surplus,	**439,609**

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

QUEEN

Ins. Co. of America.

NEW YORK.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company
OF NEW YORK.

BRITISH AMERICA ASSURANCE CO. INCORPORATED 1833.
FIRE AND MARINE. HEAD OFFICE—TORONTO, CANADA.
UNITED STATES BRANCH.
JANUARY 1, 1905.

Assets	$1,428,610.75
Liabilities	1,030,923.14
Net Surplus	$397,687.61

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

A. G. McIlwaine, Jr., Manager.

AGENTS WANTED
BY

The Manhattan Life
OF NEW YORK

Exclusive Territory
Liberal Contracts

STRENGTH
SECURITY
SOLIDITY

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
Net Surplus	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

German American Insurance Company New York

CAPITAL INCREASED TO

$1,500,000

ASSETS

$12,074,306

NET SURPLUS

$5,633,249

THERE IS

Always a Good Opportunity for a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents

32 NASSAU STREET, NEW YORK CITY

SAFETY FUND INSURANCE.

NIAGARA

Fire Insurance Company OF NEW YORK.

OFFICE: 135 & 137 BROADWAY.

PHENIX INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

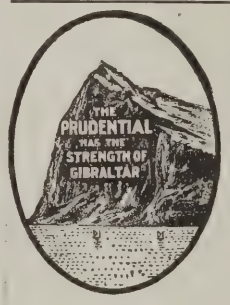
Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men
The Grand Prize was awarded the Prudential at the St. Louis Exposition.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$25,500 000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488,98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

1825. THE 1905

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President — EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. — BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. — T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $6,397,004.50. Net Surplus, $1,412,107.72
Losses Paid to June 30, 1904, $18,696,401.43.

CASUALTY INSURANCE SPECIALTIES:

Bonds of Suretyship for persons in positions of trust, Personal Accident and Health, Liability, Burglary, Plate Glass, Steam Boiler, Elevator, Flywheel and Bonded List.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Vice-President-Secretary.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.
EDWARD C. LUNT, Third Assistant Secretary.

British = America Assurance Co.

OF TORONTO, CANADA.

Financial Statement January 1, 1905.

UNITED STATES BRANCH.

ASSETS.

Government Bonds	$104,500.00
State and Municipal Bonds	625,857.22
Cash on Hand and on Deposit	82,822.91
Stocks and Bonds	478,666.80
Premiums in course of collection	126,455.12
Interest due and accrued	10,308.70
	$1,428,610.75

LIABILITIES.

Reserve Premium Fund (N. Y. Standard)	$936,195.38	
Reserve for Unpaid Losses	94,727.76	
		$1,030,923.14
Surplus in United States		$397,687.61
Total Income in U. S. for 1904		$1,575,582.12
Total Losses Paid in United States from 1874 to 1904, inclusive		15,737,822.63

Hon. GEO. A. COX, President. J. J. KENNY, Vice-President.

Western Assurance Company

OF TORONTO, CANADA.

Financial Statement January 1, 1905.

UNITED STATES BRANCH.

ASSETS.

Government Bonds	$104,500.00
State and Municipal Bonds	917,512.05
Cash on Hand and on Deposit	68,070.94
Stocks and Bonds	851,831.04
Mortgages	15,000.00
Premiums in course of collection	403,582.43
	$2,360,496.46

LIABILITIES.

Reserve Premium Fund (N. Y. Standard)	$1,519,021.63	
Reserve for Unpaid Losses	110,325.35	
		$1,629,346.98
Surplus in United States		$731,149.48
Total Income in U. S. for 1904		$2,714,277.17
Total Losses Paid in United States from 1874 to 1904, inclusive		26,796,672.54

Hon. GEO. A. COX, President. J. J. KENNY, Vice-President.

Conservative Leads

Life Insurance in California for 1904.

From Official Reports.

COMPANY	AMOUNT	PREMIUM
CONSERVATIVE LIFE	$9,043,423	$384,126
New York Life	8,586,099	362,875
Equitable	7,272,650	294,031
Mutual Life	5,244,499	176,703
Pacific Mutual	4,256,164	203,375
Metropolitan	2,565,924	90,791
Northwestern Mutual	2,503,450	101,746
Penn Mutual	2,337,568	100,181
Ætna	2,196,725	91,303
Mutual Benefit	1,530,350	58,334
Prudential	1,280,376	53,358
New England Mutual	1,101,750	44,954
Union Mutual	794,052	34,429
Provident Life and Trust	781,032	30,041
Union Central	699,716	19,690
National Vermont	671,000	25,972
State Life	663,260	22,626
Germania	588,000	30,093
Home	508,000	18,252
Minnesota Mutual	500,208	18,327
Washington Life	404,400	16,879
Provident Savings	403,250	17,941
Manhattan	402,000	17,681
Phœnix Mutual	402,000	17,332
Fidelity Mutual	333,898	11,740
Massachusetts Mutual	333,500	13,196
Travelers	332,500	11,988
Connecticut Mutual	229,000	8,706
Security Mutual	92,500	2,559
Northwestern National	52,000	4,350
Life Association	15,000	1,130
	$64,665,622	$2,369,492

Field Men Wanted in Western Fields.

IN BUSINESS PRODUCED IN 1904 IN CALIFORNIA, ITS HOME STATE.

The ONLY TIME and PLACE where a SMALL and YOUNG COMPANY LEADS the "GIANTS."

NO COMPANY AT THE SAME AGE AS THE CONSERVATIVE LIFE TODAY EVER SHOWED—

As much INSURANCE in force,	**$27,099,175.00**
As much ASSETS - - -	**1,904,659.35**
As much SURPLUS - - -	**333,626.37**

We Lead Where Best Known.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL LXXII. SATURDAY, MARCH 4, 1905. No. 9.

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THE full text of the bill introduced in Congress by Senator Dryden, to establish Federal regulation of insurance, appears in this issue. The Senator accompanies the introduction with the statement that he has brought the bill out now that it may receive the discussion and criticism so essential to its perfection during the time intervening before the assembling of the next Congress in December. The bill goes to the marrow of the national supervision question, declares policies of insurance to be "articles of commerce and instrumentalities thereof," and their transmission from one State to another interstate commerce, and therefore subject to the control of the general Government. This is the ground upon which the battle will be fought in Congress if the bill is ever seriously considered. It contemplates, not an additional exercise of supervision, but a substitution of Federal for State supervision, so far as business transacted between the States is concerned. It takes away the power of the State to tax or examine non-domestic companies, which, however, if they comply with the requirements of this act, will be privileged to do business in all the States. In other words, Senator Dryden's bill replaces State with national supervision. Read in connection with Mr. Wolf's address on State supervision, which we also publish, we may see clearly where issue will be joined in the controversy which the Senator invites.

IN discussing last week the proposed scheme of securing national supervision by an act of Congress declaring insurance to be interstate commerce, we touched upon the obstacle which the movement would encounter in the unwillingness of the States to divest themselves of the right of supervision which they have always exercised. We believe that the States will jealously cling to every vestige of power they possess to prescribe the terms upon which the corporations of other States can do business within their borders, and in recognition of this sentiment and sympathy with it their representatives in Congress will never vote for a law that will deprive them of the power. Confirmation of this statement will be found in the comments already appearing in the press on Mr. Beck's argument for Federal regulation of insurance by Congressional action. For example, the Charleston *News and Courier* in an editorial on the subject says:

> The solicitude of Mr. Beck for the policyholder is almost pathetic, but the evil conditions from which we are told that the insurance companies and their policyholders are suffering are due not so much to the system of State regulation as to the administration of that system, and if there is such opposition as that noted, there ought to be and doubtless is ample remedy for the suffering policyholders in law. The system need not be changed because it has imposed inequitable burdens upon the insurance companies, but relief should be sought through the courts or by such protective legislation as may be required in the circumstances. Every attempt to encourage Federal interference with the affairs of the State ought to be resisted. The interstate commerce clause of the Constitution has already been stretched to the breaking point without corresponding benefit to the public.

It is obvious that if the Supreme Court of the United States is to be approached with a call to reverse its position in the Paul and Virginia case, it must be by some other way than an act of Congress.

ARKANSAS has been at the fore all the week in a rapid succession of notable events. The conflagration at Hot Springs, with its $750,000 insurance loss, came as an object lesson to the trust bursters in the Legislature and their dismayed constituents. "I shudder to think what it would have meant to our citizens if this had happened a little later," exclaims the mayor of Hot Springs, and he calls for a "speedy repeal of the King anti-trust law." The Little Rock *Gazette*, from which we copy copiously on another page, draws by the light of the Hot Springs fire a weird picture of Arkansas bereft of insurance protection by the action of the anti-trust law, and it fiercely arraigns Governor Davis for the condition into which his demagogy has plunged the State. His sincerity is impugned by the statement that he has, since the enactment of his precious anti-insurance law, had his policies on his home renewed for three years in old line companies. With the advent of fateful March ten leading agency companies withdrew from the State. The others have taken licenses tentatively until the anti-trust law goes into effect. The future of the relations of the fire underwriters with the State now centres upon two possibilities: the abrogation of the law or its voidance by the Supreme Court of Arkansas. Our Little Rock dispatches already announce the introduction of repeal measures in the Senate. That is the shortest way out. The very lucid opinion which Mr. James M. Beck's law firm has written for the underwriters, upon the constitutionality of the act, leaves little doubt that the Supreme Court, when it can be reached, will declare it to be void. The opinion riddles the act, showing that it violates the constitution in assuming extra-territorial jurisdiction, in impairing the obligation of contracts, in infringing upon the powers of Congress in respect to interstate commerce, in depriving a citizen of his property without due process of law, in requiring a defendant to incriminate himself and in being ex-post facto. Upon any one of these points, it would seem, a successful attack might be made.

THE man with wheels in his head who gets into the legislature and gets after the insurance companies was never more in evidence than he has been this year. How abnormal must be the mental processes which have conceived that bill in Utah, requiring insurance companies to conform to "the provisions of the State Constitution," and

file with the State a bond equal in amount to their unpaid capital stock. There is something grotesque in the condition that the applicant for a license to insure the people of Utah must first read up the thirty-four articles of the State Constitution as a precaution against legal pitfalls. And that other condition about giving a bond to secure to the policyholders in case of loss the subscribed capital of the applying company—there is the Liverpool and London and Globe, whose paid up capital is $1,228,640, and whose additional subscribed capital, guaranteed by responsible shareholders and subject to call, is $12,282,000—what a price to pay for the privilege of protecting the property owners of Utah against loss by fire. The crank bill of Mr. Tenjost in our own Legislature almost equals this. The Buffalo assemblyman would make it unlawful for a fire insurance company to insure real and personal property at a higher rate than is now charged without the consent of the Superintendent of Insurance. In Missouri this week this idea of forcing down insurance rates by law takes another form. A bill provides for an insurance board in each town and village in the State to be composed of three persons appointed by the public authorities, which shall fix fire insurance rates that "shall be found just and right." There is a vague bill in Oklahoma requiring fire insurance policyholders to file their policies with the town or city clerk, "with the object of preventing incendiarism"—whatever that may mean. And then there is Mr. Swig's proposition in Massachusetts to fine companies which insure real or personal property for more than their assessed value $10,000 for each offense. A New Hampshire bill makes agents liable to damages in $500 when they divide their time with any other business than insurance—a blow perhaps at the real estate annexes. It is good deal of a puzzle to understand why people capable of these aberrations are not in sanitariums. Surely they must do many other odd and reasonless things that serve to impress their neighbors with a sense of their mental impairment. And yet they are elected to legislatures.

Facts and Opinions.

The home offices of the various **surety** companies are at present very much interested in the outcome of the pending **legislation in every quarter of the Union.** The Legislatures of a dozen States have before them bills putting new and burdensome restrictions upon the business, and taxing everything in the heavens above, or the earth beneath, or the waters under the earth. This legislation varies all the way from the bill in New Hampshire, which limits companies to transact one class of insurance business, down to that of Texas, which proposes to tax "intangible" assets, whatever they may consist of. In Massachusetts it is proposed to insist upon a deposit of 10 per cent. of the capital, in Colorado a deposit of $50,000, and in various other States deposits are expected. This deposit feature is not a new one, but has become a grievous burden to the smaller companies, and there is only one company now engaged in the business which has met the requirements in the matter of deposit of every State, and that is the United States Fidelity and Guaranty Company, which company now has $1,000,000 on deposit with the State officials of various commonwealths and cities, as the necessary condition of doing business. Several of these bills increase the tax rate on premiums from 1 all the way to 3 per cent., and if they should become laws will compel the companies to necessarily increase the premium charges in such States. The shortsightedness of such bucolic statesmanship is apparent to anyone who has given the subject a moment's consideration. It must be known that the companies do not pay the taxes, but necessarily shift the burden to the policyholders. The Board of Casualty and Surety Underwriters recently formed is combating some of this legislation through John T. Stone, its president, and S. C. Dunham, chairman of the committee on taxation, and it is hoped a portion of it will be defeated. If these bills, however, are offered as "bell ringers" there will be found little disposition on the part of the companies to respond financially.

The **annual meeting of the Detroit Conference** was held at the Chicago Beach Hotel on Friday and Saturday of last week, the business proceedings being followed by a banquet. The following officers were elected: President, H. G. B. Alexander; vice presidents, Franklin J. Moore, C. H. Brackett; secretary, L. O. Chatfield; treasurer, F. H. Goodman. Executive committee—D. E. Thomas, president National Casualty Company, Detroit; V. D. Cliff, secretary United States Health and Accident Company, Saginaw, Mich.; G. F. C. Eyre, president American Health and Accident, Detroit; Louis H. Fibel, president Great Eastern Casualty and Indemnity Company, New York; A. E. Forrest, secretary North American Accident, Chicago; William H. Jones, general manager Equitable Accident, Boston; W. G. Curtis, secretary Northern Accident, Detroit, Mich. The following interesting papers were read and discussed: "The Rounder," A. D. Bailey, secretary American Relief Society, Bay City; "Honesty," A. E. Forrest, secretary North American Accident Insurance Company, Chicago; "Equity," D. E. Stevens, Grand Councilor Fraternities Accident Order, Philadelphia; "Industrial Litigation," Manton Maverick, general attorney Continental Casualty Company, Chicago; "Accident and Health Insurance a Part of Life Insurance," F. S. Dewey, secretary National Casualty Company, Detroit; "The Relation of the Physician to Sick and Accident Insurance," W. J. Means, M. D., medical director American Insurance Union, Columbus; "The Handling of the Physician in the Adjustment of Claims," F. M. Van Horn, general superintendent of agencies, Grand Rapids Accident and Health Insurance Company, Grand Rapids; "The Policy Contract," A. A. Smith, secretary Continental Casualty Company, Chicago; "Dangerous Trades," C. W. Ray, adjuster Columbian Relief Fund Association, Indianapolis; "Suggestions," F. H. Goodman, secretary Home Accident and Health Insurance Company, South Bend; paper by J. B. Pitcher, president United States Health and Accident Insurance Company, Saginaw; paper by Horace W. Corey, manager industrial department Great Eastern Casualty and Indemnity Company, New York.

Fire insurance matters in Arkansas are in an acute stage. The arrival of the time for renewing licenses and filing bonds, the failure of a number of large companies to qualify, the Hot Springs conflagration, with an insurance loss of over $750,000, followed by agitation for a repeal of the law driving out insurance, and the actual introduction of a bill in the Legislature to eliminate the extra-territorial feature, are all events of the week. Elsewhere in this issue will be found the decidedly warm comments of the leading Arkansas newspaper on the situation, and the opinion of eminent New York counsel that the anti-trust law is unconstitutional. The companies which have declined to renew their applications for licenses are the Liverpool and London and Globe, Glens Falls, Germania of Freeport, Teutonia, Delaware, Prussian National, United States Fire, Germania Fire of New York,

Union of Pittsburgh and Rochester German. Other companies have filed their statements, but with the explicit announcement that they will not seek to remain in the State after March 23, the date the new law goes into effect, unless some satisfactory arrangement in the meantime is made. An exception to these companies is the Atlanta-Birmingham, which has taken advantage of the situation for its own benefit, by withdrawing from all rating organizations, wherever located. Life insurance companies are also concerned about conditions in Arkansas, if the fire insurance companies cancel their risks there, and the Massachusetts Mutual Life, for one, has given notice that outstanding loans will not be renewed.

The following **standing committees of the National Convention of Insurance Commissioners** for 1905 have been appointed by President Cutting:

Blanks.—Appleton, New York; Brinkerhoff, Illinois; Upson, Connecticut; Fletcher, Maine; Drake, District of Columbia; Vorys, Ohio; Brown, Massachusetts.

Laws and Legislation.—Vorys, Ohio; Appleton, New York; Carroll, Iowa; Bacon, Vermont; O'Brien, Minnesota.

Unauthorized Insurance.—Barry, Michigan; Folk, Tennessee; Host, Wisconsin; McDavid, Alabama; Carroll, Iowa.

Fraternal.—Fletcher, Maine; Hardison, Massachusetts; Folk, Tennessee; Vorys, Ohio; Forster, Pennsylvania; Vredenburgh, Illinois; Cole, Mississippi.

Rates of Mortality and Interest.—Prewitt, Kentucky; Buttolph, Indiana; Watkins, New Jersey; Hughes, Connecticut: Truitt, Maryland.

Meeting and Officers.—Hendricks, New York; Carr, Maine; Gray, Rhode Island; Green, Arkansas; Wilkinson, Maryland.

Reserves Other Than Life.—Upson, Connecticut; Appleton, New York; Hadley, Michigan; Brinkerhoff, Illinois; Linehan, New Hampshire; Stillwell, Ohio; Hardison, Massachusetts.

Miscellaneous.—Marshall, Delaware; McDavid, Alabama; Clay, Texas; Prewitt, Kentucky; Sherrick, Indiana.

Assets of Insurance Companies.—Host, Wisconsin; McGivney, Louisiana; Young, North Carolina; Yates, Missouri; McCullough, Pennsylvania.

Credentials.—Gray, Rhode Island; McGivney, Louisiana; Marshall, Delaware; Wright, Georgia; Tesch, Colorado.

Special Committee in Charge of Legislation in Congress.—Folk, Tennessee; Sherrick, Indiana; Durham, Pennsylvania; Barry, Michigan; Vorys, Ohio; Bacon, Vermont; Carroll, Iowa; Vredenburgh, Illinois; Cutting, Massachusetts, ex-officio.

Since these appointments were made Messrs. Wilkinson, of Maryland, and Green, of Arkansas, have retired from office, and doubtless their successors will be appointed to fill the vacancies.

The **National Association of Local Fire Insurance Agents** held its midwinter conference of officers and executive committeemen on Friday and Saturday of last week, at Pittsburgh, Pa. Vice President E. J. Tapping presided, in the place of President Robinson, who was kept away by serious illness in his family. The most important action taken was embodied in the following resolution:

That a committee of five, to be known as a "conference committee," be appointed by the president, with power to confer with companies or company organizations, to formulate plans for protecting the agent in the locality for which he is appointed, and to confer upon any other matter which may be deemed advisable.

The purpose of this action is to "further co-operation and harmony." The conference resolved to leave the matter as to whether the State organizations should reorganize on the board plan optional with the associations. It is stated as probable that the next annual meeting of the association will be held in Denver, Col. Among those present at the meeting were the following: E. J. Tapping, Milwaukee; L. W. Childrey, Norfolk, Va.; C. S. Pellet, Chicago; C. H. Woodworth, Buffalo; A. W. Neale and T. H. Geer, Cincinnati; Fred Guenther and W. A. Eldridge, Detroit; Charles F. Wilson, Denver; Emmett Rhodes, Auburn, N. Y.; W. H. Mandeville, Olean, N. Y.; A. P. Ross, Columbus, O.; Charles E. Anderson, Baltimore; W. B. Flickinger, Erie, Pa.; H. N. Pinkham, Portland, Me.; R. H. Mabry, Selma, Ala.; Widship Cabaniss, Macon, Ga.; G. H. Burns, Kittanning, Pa.; D. C. Harkins, Cameron, W. Va., and Henry H. Putnam, Boston.

A statement comes from Wisconsin that an attempt may be made to **reopen the Equitable case** in the courts of that State on "two very important points in the argument not touched upon in the Supreme Court decision." No appeal can be taken from the decision, of course, but an attempt may be made by motion before the Supreme Court to reopen the case and to get a determination of these points. A Madison newspaper quotes Commissioner Host as follows on the decision of the court:

The decision of the Supreme Court, reversing the decision of Judge Dunwiddie, is certainly a surprise to me. Before rendering a decision in July, 1903, that Section 1952 Wisconsin statutes is mandatory, I gave careful thought to the intent of the Legislature in enacting said section, the conditions that existed at the time of its enactment, the rights of policyholders in mutual organizations, and after deliberating upon these different points and perusing exhaustive briefs for and against a mandatory construction of said section I became convinced that unquestionably it was the intent and purpose of the law makers that a distribution of surplus be made at one of the periods fixed in the statute, and the only discretionary power conferred upon the company was the exercise of an option to select either a two, three, four or five year period, instead of making distribution annually. * * The discussion and litigation of the surplus question in Wisconsin has created more interest in insurance circles and among the people than any other question ever raised concerning life insurance, not only in this State but throughout the country. I will now appeal to the Legislature of Wisconsin, and endeavor to convince them of the injustice of the deferred dividend contract, so that some legislation will be enacted abolishing this "gamble" for all time.

Put Yourself in the Company's Place.—In the course of his annual report on the mill mutual system, President Atkinson offers the following considerations which may be found pertinent by the managers of and the insured in stock companies as well:

The most difficult work in respect to new members has been to overcome a sense of antagonism between the assured and the underwriter: to prove to them that we were merely their agents appointed to keep up a wholesome irritation until they had learned that owners and managers are the only persons who can prevent loss; our sole function being to show how to do it. Many of our suggestions have seemed unreasonable, but of late we have met objections by asking the owner, "What would you do if you insured yourself?" This question is usually followed by the adoption of our suggestion. In one recent instance, where the danger seemed so remote as to make it almost unreasonable to call for sprinklers, that way of putting the case caused their adoption, and within a year a very heavy loss and interruption of business was saved by one of these sprinklers. In another important new risk, after we had suggested every possible safeguard, the owner asked: "Is there anything more that I can do; a small fire might interrupt my sales for months and it would take years to recover my position." It is to this conviction on the part of the owners and managers of our risks that they are themselves responsible for the safety of their property that our success as underwriters must be largely attributed. Without this conviction on the part of members factory mutual contracts would be very hazardous. There is no special virtue in the word "mutual" in the title of our insurance company until every individual member comprehends his own obligation to all others and his own responsibility for the safety of the property under his charge.

A **reorganization** and revivification of the **agency forces of the Washington Life** is being accomplished by Vice President Theodore P. Johnson, of that company, who returned this week from a tour of the Western States. He reports that the agents have renewed faith in the old Washington since its reorganization, and he predicts a good showing of new business next year to back up his assertion. Mr. Harry S. Fuller, of Chicago, has succeeded his father, Dr. S. L. Fuller, in the management of the long established Fuller agency there, which Doctor Fuller has run for the past

thirty-eight years. The new manager was in New York this week, arranging for the transfer of his office from Chicago to Milwaukee, as his territory will now cover Wisconsin and Michigan. The former Davis agency of the Washington at Chicago has been transferred to the firm of Davis & McGrew, which will cover the territory of Northern Illinois, working from Chicago. The territory of W. D. Batscholtz, of Des Moines, will be extended to cover all Iowa. Messrs. H. D. and L. C. Penfield, of Chicago, have been appointed managers of the city department there. Mr. William Y. Potter, of East Greenwich, R. I., has been appointed manager for that State, with headquarters at Providence.

The Insurance Commissioner of Wisconsin received a complaint to the effect that the **Great Northern Railway Company,** which operates warehouses and grain elevators at Superior, Wis., for storing grain, and issues regular warehouse receipts therefor, also issues an indemnity agreement against loss or damage by fire to grain, seeds, etc., while in storage in the company's elevators. The indemnity agreement has attached to it the following: "In addition to the risk of loss by fire imposed upon it by law, all risk of loss or damage by fire to seeds or grain stored in its elevators under such receipts," etc. It is contended by Commissioner Host that this agreement is an insurance contract issued by the railroad company in violation of the laws of Wisconsin. The matter was taken up with the company, which has refused to give any attention to the communications from the Insurance Department. Commissioner Host has referred the matter to the Attorney General, who will proceed under Section 3466 Wis. Stats. of 1898, which provides that any action may be brought by the Attorney General in the name of the State upon his own information or upon the complaint of any private party against the parties offending when "any association or number of persons shall act within this State as a corporation without being duly incorporated.

The latest emanation from the practical pen of Fire Marshal Henry D. Davis, of Ohio, regards **stoves burning coal or wood,** which we learn are still used in primitive portions of this country and in the land of the Buckeyes:

> The too energetic firing of stoves cost the people of Ohio a third of a million dollars last year. This loss was from crowding fuel into stoves or furnaces which were in no way defective and does not include the large number of accidents from roaring fires driving partly consumed fragments, as sparks, out upon the roof, nor cases of fire from soot burning. The number of fires from such overheating has increased, during the five years in which statistics have been gathered by this office, more rapidly than the increase of dwelling houses and in spite of the increased use of steam heat. The average temperature during 1904 being two degrees below the normal accounts for an excessive number of fires in that year. But, on the other hand, there was an increase in the number of gas stoves, and they, while endangering life, are less liable to become a fire danger from overheating. The fires from the ignition of some nearby combustible from excessive heat, from stoves or pipes numbered 250; from cellar furnaces, 65; from grates, 4; from gas stoves, 6; from oil stoves, 5—a total of 330 fires. Overheating in factory stacks caused 11 fires; kilns and dry rooms, 5 each; and bakery ovens, 15. These fires were from the igniting of the wooden floor or wall near the stove, the drying of wood in the oven, kindling left to dry over night beside the stove, lath exposed where plaster had been knocked off, goods on clotheshorse or chair back, and, especially, clothing previously cleaned with gasoline placed by the stove to dry. A few fires were from ignitible stuff, matches, ornaments and the like upon the mantel

On Tuesday night of this week the **New York Life Underwriters' Association** held its annual meeting and dinner at the Hotel Astor, and elected the following officers and executive committee, to serve for 1905: President, J. Carlton Ward, Prudential; first vice president, William Dutcher, Prudential; second vice president, Charles Wake, Equitable; third vice president, S. S. Voshell, Metropolitan; secretary, Albert G. Shepard, John Hancock; treasurer, Archibald Arthur, United States Life. Executive committee—T. R. Fell, Mutual Life, chairman; W. A. Nicolay, Ætna Life; S. H. Mallard, Travelers; W. C. Johnson, Phœnix Mutual; Charles J. Goulden, Connecticut General; E. J. Edwards, Equitable. The banquet was spread in the large dining hall and the decorations were profuse and elaborate. After the retiring president, Mr. M. E. Goulden, had made a brief address, and the incoming executive had expressed the honor he felt at assuming his duties, President John Dolph, of the National Association made an address. The spirit of good fellowship was much in evidence and the gathering was one of the most successful and enthusiastic in the history of the local association. Twenty-four new members were admitted.

The following representatives of eleven **companies writing plate glass insurance** in New York this week signed the compact, which has so long been expected. Eugene H. Winslow, for the Metropolitan Plate Glass and Casualty; Max Danziger, for the New York Plate Glass; William T. Woods, for the Lloyds Plate Glass; S. B. Brewsters, for the Ætna Indemnity; David Meiklejohn, for the Maryland Casualty; H. C. Hedden, for the New Jersey Plate Glass; William F. Moore, for the New Amsterdam Casualty; E. W. De Leon, for the Casualty Company of America; Robert J. Hillas, for the Fidelity and Casualty; Sydney T. Perrin, for the Central Accident, and J. H. Delesderniers, for the Philadelphia Casualty. The new agreement covers practically only commissions and the number of agents in the territory, but it is expected that if the companies can work harmoniously on this basis there is a possibility that the compact may be later extended to govern rates. An arbitrator for violations will be appointed, whose salary and office expenses will be paid by assessments upon the companies. The chief difficulty will be to find a proper man for this delicate position.

Reviewing Mr. Beck's address before the Boston Life Underwriters' Association on **national supervision** of insurance, *Insurance* says:

> As a temperately stated contribution to the subject by an able lawyer, this is worth careful reading, yet Mr. Beck does not succeed in making it more than academic, nor does he attempt to do so. For even if it be admitted that the court will make no difficulty over the constitutional question, Mr. Beck does not show that effectual Federal supervision—effectual in being substitution and relief instead of mere addition—will be advanced any; indeed, he deftly avoids the practical issue of Federal against State power, as the others have done. The nearest approach to grappling the difficulty is when he says that "the great advantage gained would be that it will no longer be a privilege but a right to engage in this form of interstate commerce, and the day of oppressive and discriminating restrictions on the part of the State would be ended." How this can be is left unexplained, and he expressly admits that the taxing power would remain with the States and that a State "would retain absolute control of corporations which it had formed." This virtually concedes the further power of exclusion of corporations which it had not formed, and until somebody ventures to deny that the States will stoutly and, as far as can be now seen, will successfully, insist upon control of their own territory, we shall not have come an inch nearer Federal supervision, after all their volume of talk about it.

The annual meeting of the Massachusetts Grand Lodge of the **Ancient Order of United Workmen,** which includes also the States of New Hampshire and Vermont, took place in Odd Fellows' Hall, Boston, last Tuesday. Much space was given in the report of the grand master workmen to the settlement of the litigation with the Supreme Lodge, and the final separation of the Massachusetts lodge from that body, accomplished last January. Among the recommendations made by the grand master workmen was one that a beneficiary commission be appointed, with power to employ a competent actuary to ascertain the standing and condition of

the order and devise a level graded rate of assessment, and report to the executive committee not later than December 1, 1905. During 1904 the receipts of the beneficiary fund of $737,278 were nearly all swallowed up by the payments, and the membership declined from 31,683 at the beginning of the year to 29,661 at its end.

Funeral services for **Sidney Dillon Ripley,** treasurer and a director of the Equitable Life Assurance Society, were held in the Church of the Heavenly Rest, New York, on Monday, the rector, Rev. Dr. Morgan, conducting. One entire side of the church was occupied by the officers and employees of the company. The executive committee of the company on February 27 unanimously adopted the following resolutions:

The executive committee of the Equitable Life Assurance Society of the United States learn with sorrow of the death of Sidney Dillon Ripley. Mr. Ripley was the son-in-law of the late Henry B. Hyde, founder of the society. He was a director of the society for thirteen years, and was in the continuous service of the society from 1885 until the time of his death, first as its cashier and later as its treasurer, performing the duties of these offices with fidelity and honesty and conscientiously administering their business.

Resolved, That in mourning the loss of a loyal officer and director, the members of the executive committee of the society hereby tender to his widow, Mrs. Ripley, their sincere sympathy, deepened by the affection and respect in which the memory of her father is ever held by them.

Further resolved, That this minute be placed on our records, and that a copy of these resolutions be transmitted to Mr. Ripley's family.

The **Insurance Society of New York** held its fourth annual meeting on Tuesday evening of this week in the rooms at 73 William street, and elected the following officers: President, Robert P. Barbour; vice presidents, C. F. Shallcross, C. C. Wayland, F. H. Douglass, H. H. Hall; secretary, P. G. Farquharson; treasurer, J. B. Brickelmaier; executive committee, C. A. Ludlum, C. H. Duclos, Otto Dellevir, H. B. Churchill, H. D. Gue, F. W. Mayes, F. J. T. Stewart. The reports of committees showed a total membership of 251; balance in the treasury of $1,242.60, and a library of over 1,350 volumes, which during the year have been indexed and catalogued. An informal dinner at the Underwriters' Club preceded the meeting, and after business, the members were entertained by Mr. H. H. Putnam, of Boston, who spoke on "The Agency Movement." A professional prestidigitator also performed.

A fiery week closed February and opened March. Hot Hot Springs, Ark., scored a total loss of $1,200,000 and an insurance loss of $781,500; New Orleans, total loss of between $3,000,000 and $5,000,000 and insurance loss of $700,000; the Illinois Central Railroad being its own insurer; East Liverpool, Ohio, $400,000, mostly covered by insurance. As to the loss of the Illinoi Central at New Orleans, it entirely wiped out its insurance fund. Underwriters who inspected the property say it was in bad shape; that the fire plugs were not threaded to fit the city hose and that any suggestions as to improvements were received with poor grace by the managers. As an underwriting proposition the idea of carrying the entire risk where several millions of values were exposed to a single fire, and with an insurance fund of only $1,832,000 to go on, is regarded as "poor policy." Other roads, with a much larger insurance fund, insure the excess values of their large terminals in the stock companies.

An important decision was given in the United States Supreme Court at Columbus, Ohio, last week, in the case of the State of Ohio against the Scottish Union and National insurance company. It was stipulated that the decision in the case would apply to sixteen other companies. The case involved the **Ohio** State law, requiring **foreign insurance companies** to **deposit** a part of their capital in the State in order to do business, and the right of the State to impose a tax on property thus deposited. The Scottish Union and National company had deposited $100,000 worth of municipal bonds, which were later displaced by Government bonds. The court held that these bonds were in the nature of capital and were not exempt from taxation. On this point Judge Thompson's decision was affirmed. The case was first argued before him, and he held that the substituted bonds could be disposed of to pay the taxes on them and the original bonds.

The **Chicago resident secretary of the Equitable Fire and Marine** Insurance Company of Providence, R. I., John J. Mayberry, who recently resigned that position under charges, was arrested this week on a charge of embezzling over $5,000 from the company's funds, of which he had charge. He managed the Cook County department and paid all Western losses. The shortage occurred in the accounts of the Cook County department, as all losses except local ones in Chicago were settled by drafts on the home office. Mr. Mayberry some years ago had trouble with the company, which was straightened out by the personal intervention of President Arnold. He went to Chicago from the home office of the company twelve years ago.

The decision in the suit begun by the New York Life to cancel its **insurance on the life of Mrs. William McGregor** at Saginaw, Mich., has been against the company. Before Mrs. McGregor died she wrote the company that she had deceived it in her application and examination, as she was suffering from consumption at the time, and had taken out the $5,000 policy, at the instance of her husband, to defraud the company. She died shortly after. It was shown that the family physician had informed the agent of the company that the woman had consumption, and the court held that this was notice to the company. The case will be appealed to the Supreme Court.

Twenty general agents for **accident companies met in Chicago** Wednesday to consider the proposed organization for the improvement of conditions in that line. Edward C. Burns, of the Fidelity and Casualty, who projected the movement, was chairman of the meeting. The situation was discussed and it was decided to appoint a committee to formulate a simple plan for organization. No definite plan of campaign will be decided upon until the organization has been completed. The committee is made up of D. M. Baker, Pacific Mutual; W. J. Aiken, Preferred; W. E. Miller, General; A. D. Morrison, Central, and E. De Anguera, Continental. Another meeting will be held March 7.

A committee of the National Board of Fire Underwriters, composed of E. G. Richards, G. E. G. Smith, Edward Milligan, C. R. Knowles and A. N. Williams, which has just made a trip to **Buffalo,** to investigate the **fire protective conditions** there, has written a letter to the mayor of that city urging immediate improvement of the water supply. According to the committee the pumping stations in that city are greatly overtaxed, the fire alarm apparatus is improperly housed, and unprotected from damage by fire itself. The fire department is not in the highest state of efficiency, due to lack of hose, and all these things put Buffalo in danger of a big blaze.

The **Equitable Life men in the West** have been put on their mettle by the recent agitation about the mutualization of the company and are keeping on with their production. A conference was held of general agents at Chicago last week,

attended by Western Superintendent Howard H. Hoyt, E. A. Woods, manager at Pittsburgh, and Henry L. Rosenfeld, supervisor of agents at the home office. The best of spirit prevailed and the reports presented were all encouraging. Illinois and Wisconsin are well ahead of the February business for 1904, although a special effort was made last year to roll up a big volume in honor of Mr. Hoyt, who has gone to Porto Rico for his health.

About thirty life insurance agents were present at the organization of the **Lansing, Mich., Life Underwriters' Association** last week, and the following officers were elected: President, W. E. Burnett, Massachusetts Mutual; secretary, W. H. Brown, North American; treasurer, N. K. Farrand, Prudential; executive committee, A. D. Hagerman, Illinois Life; D. L. Van Auken, Fidelity Mutual; S. P. Kyes, Home Life; R. G. Brownson, Canadian Mutual; C. A. Maynard, Northwestern. The association will be affiliated with the national association. W. L. VanSickle, of Detroit, vice president of the national association, was present and assisted in the organization.

A committee from the **Des Moines** Fire Underwriters' Association visited Chicago last week, seeking to secure a remission of the **conflagration charges.** They based their claim upon the fact that the city had promised to make the improvements desired. In view of the numerous conflagrations, however, and the frequent experience of the governing committee with cities which fail to keep their promises in the way of improvements, their request will not be acceded to. The charges will go on in April and will be remitted as soon as the improvements are made.

The **Western Massachusetts Life Underwriters' Association** held its annual banquet at Springfield, Mass., on Friday evening of last week. The following officers were elected at a business meeting beforehand: President, George P. Mitchell; vice presidents, Charles G. Munroe, Edward Tolman, Pittsfield; secretary, Clinton W. Cowles; treasurer, E. M. Allis; executive committee, William P. Draper, Peter M. W. Robichaud, Frank R. Hodge, F. C. Stedman, Fred I. Hinkley. National President John Dolph was present and spoke.

Beginning April 1 Messrs. Edmund Winchester and George W. Watt, respectively fire manager and special agent of the Boston Insurance Company, have been appointed managers for New England of the **Camden and Girard** fire insurance companies. John C. Paige & Co. are Boston agents of the Camden and W. E. Davenport & Son of the Girard. No decision has yet been reached as to their continuance in these capacities; but if retained they will doubtless report to Winchester & Watt.

On last Wednesday the **John Hancock Mutual Life,** of Boston, was admitted to Maine, where it will transact ordinary business. The company has appointed Herbert S. Dyer as its manager for the Pine Tree State, with temporary headquarters (until May 1) in the Union Mutual Life Building, Portland. Mr. Dyer was formerly agency director for Maine of the New York Life, is an ex-president of the Life Underwriters' Association, and is well and favorably known all over the State.

Officers of the new **Commonwealth Life** Insurance Company, of Louisville, Ky., have been elected as follows: J. D. Powers, president of the United States Trust Company, president; Darwin W. Johnson, secretary and treasurer; Dr. J. W. Guest, medical director; W. W. Thum, general counsel; Judge Matt O'Doherty, first vice president, and John Droege, second vice president. The company will write both ordinary and industrial insurance.

The Grand Jury at Macon, Ga., returned two **indictments against Mrs. Maggie Young,** of that city, charging her with impersonating Mrs. Mary Hinson, an inmate of the Roff Home, with the intention of fraudulently obtaining $5,000 from the Penn Mutual Life, and the same amount from the New York Life. It is believed that the woman is a tool in the hands of a gang of swindlers who have been working all over the country.

The contest in the **Chicago** fire department over the **double platoon system** still continues. The men who are fighting the chief have introduced a bill in the Legislature amending the firemen's pension law so as to increase the amount paid the rank and file and reduce the pensions of the officers. This is regarded by the officers as an attack on them for opposing the double platoon system.

The citizens of **Knoxville, Tenn.,** are endeavoring to secure a remission of the **pink slip charge** imposed for deficiency in fire protection. The trouble is that they want to get the charge remitted on a mere promise from the water company that it will make certain improvements later on. In view of the disastrous experience of the companies in Tennessee, they will insist that the improvements be actually made before the charges are remitted.

The **Sovereign Fire Insurance Company** has been incorporated at Toronto, Canada, by William Dineen, Robert E. Menzie, John T. Hornibrook, Edmund E. Sheppard and Josiah B. King, Toronto. The capital stock is $2,000,000. Before the company begins business $650,000 will be paid up in cash, and each succeeding year for three years $15,000 in cash will be put up.

The **trial of "Deacon" W. A. Lowell,** at Chicago, for operating wildcat insurance companies, terminated in his conviction, and he was sentenced to imprisonment for an indefinite period and a fine of $1,000. The long career of wickedness of this old sinner having come to an interruption, the only wonder is how he could have kept it up so long.

The Chamber of Commerce of **Toledo,** Ohio, lately appointed a special committee to **investigate fire insurance rates,** and it reported that the rates on dwelling houses are much higher there than in other cities of the same class in other parts of the State. The Toledo board has taken up the matter and a reduction is to be requested of the powers that be.

At a special meeting of the stockholders of the **Title Insurance Company of New York** this week it was voted to increase the capital stock of the company from $1,000,000 to $2,000,000, and to offer the 10,000 shares of the new stock to stockholders of record on March 8, 1905, share for share, at $150. The par value of the stock will be $100.

The **Arkansas** Insurance Department is investigating carefully the solvency of the companies which are seeking admission to the State in order to take advantage of the present situation. A number of **outside mutuals** have applied, but the State Auditor refuses all of them and they are threatening mandamus proceedings.

The annual meeting of the **Underwriters' Western Classification Bureau** was held at Chicago on Thursday. Progress was reported and officers were elected as follows: President, George W. Law; vice president, P. D. McGregor; secretary and treasurer, S. A. Rothermel. H. C. Eddy was elected a director to fill a vacancy.

The conclusion of Mr. M. M. Dawson to his discussion in the *Chronicle* of **"When Is New Business Unprofitable?"** in life insurance is: "Concrete evidence that new business does not pay, at high rates of commissions, is afforded by the higher average dividends paid policyholders in the low commission companies."

The **American Birth Insurance Company,** of Boston, organized on the assessment plan, to supply funds following the visit of the stork, has secured the 500 applications necessary for starting in business, and is hourly expecting authority to do so from the Massachusetts Insurance Department.

After a business existence of less than a year, the **Union Protection Company,** an assessment accident association of Boston, has been placed in the hands of a receiver, Edward N. Lacy, of that city. The receivership was granted on the petition of a creditor, the society making no opposition.

It is reported in St. Louis that the **Missouri Association of Local Fire Insurance Agents** has decided to abandon the fight to secure the repeal of the anti-compact law of that State, and try again some other time. Efforts will now be centred on the repeal of the anti-coinsurance law.

The **Boston Board of Fire Underwriters** has promulgated an explanation of what to do in matters relating to guarantees, extension of binders, and transfer of merchandise in the case of tenants who do not have control of the building or of those who may have goods on storage.

MAN IN GIG—I'm the adjuster of the Farmer's Friend insurance company, and would like to make inquiry about your neighbor Johnson's barn fire. Is it the neighboring consensus of opinion that the fire was the materialization of physical or moral hazard?

MAN ON THE FENCE—"Scasly understand yer question, but me and Jo jes been talking whether that fire was sot or jes ketched and we think it 'pends on the 'surance.—*Glens Falls Now and Then.*

The **Insurance World Fire and Casualty Chart** for 1905, a condensed history of the leading fire insurance companies for twenty-five years, with annual comparisons for the past five years, has been published by our Pittsburgh contemporary. It is replete with useful information.

The **Life Underwriters' Association of Indianapolis,** Ind., elected the following officers for the current year: President, J. J. Pierce; vice president, J. R. King; secretary, C. A. McCauley; treasurer, F. W. Olin; executive committee, C. J. Ritchie, D. F. Swain and W. H. Hart.

The nominating committee of the **New York Fire Insurance Exchange** has decided to nominate Cecil F. Shallcross, of the Royal, for president and Henry Evans, of the Continental, for vice president, for election at the forthcoming annual meeting.

Active members elected by the **New England Insurance Exchange** last Saturday: John J. Cram, special agent American Central; A. H. Bronson, special agent Eagle Fire, and William Williams, special agent Northern, of New York.

The examiners from the Connecticut Insurance Department who have been looking into the books of the **Ætna Indemnity,** at the request of the company, have now nearly completed the examination at the offices in Hartford.

The **Illinois anti-trust cases** against 155 insurance companies will come up in the Appellate Court of that State on next Friday. The cases will then be sent for oral argument to suit the convenience of the court.

Eight steamers, English, German and Dutch, bound for Vladivostok, with **contraband of war,** have been captured by the Japanese, and represent a loss to British marine underwriters, principally, of $2,800,000.

At a meeting of the Western fire insurance managers, held in Chicago, Thursday, it was decided to organize a company to conduct a **salvage wrecking bureau,** the stock to be owned by the companies

Premiums and losses by the fire insurance companies in the various **cities of Kentucky** in 1903-1904 have been reported in chart form by the *Insurance Field*, price 50 cents per copy.

Examinations of the Manhattan Life and Mutual Reserve Life by the New York State Insurance Department are still in progress and may not be concluded for two or three weeks yet.

NERVOUS OLD LADY (on seventh floor of hotel)—Do you know what precautions the proprietor of the hotel has taken against fire?

PORTER—Yes, mum; he has the place inshoored for twice wot it's worth."—*Pittsburgh Gazette.*

The papers of **Denver,** Col., report a deplorable **lack of water pressure** at a fire which destroyed the Gettysburg Building in that city on Saturday night of last week.

The **United States Casualty Company** has decided to write burglary insurance, but for the present its operations in this line will be confined to the Eastern States.

The **Eagle Fire, of New York,** was admitted to do business in Massachusetts last Saturday.

Personal.

AGENCY APPOINTMENTS.

Calumet Fire of Chicago: D. C. Stone, general agent for Kentucky and Tennessee at Nashville, Tenn

Camden Fire: Winchester & Watt, managers for New England at Boston.

Girard Fire and Marine: Winchester & Watt, managers for New England at Boston; A. C. Hancock, Baltimore, general agent for West Virginia.

Liverpool and London and Globe: A. M. Upham, special agent in Illinois

Western of Pittsburgh: Fred S. James & Co., general agents for New York metropolitan district.

Mr. Henry W. Overman, manager of the Maryland Casualty Company of Chicago, has resigned, and will probably be succeeded by his former associate, Mr. Charles A. White. Mr. Overman comes to New York in a short time to manage the new Identification Company of America, which he is organizing and which is an outgrowth of the Fraternal Identification Company, started some time ago by him at Chicago. The latter will also be continued to look after the fraternals.

Mr. Samuel Y. Tupper, Jr., eldest son of the Southern manager for the Queen, has been appointed assistant special agent for that company in the States of Georgia, Florida and Alabama. Mr. Tupper has been

map clerk for both the Queen and the Atlanta-Birmingham at their Atlanta offices, and is a worthy descendant of his father and grandfather, two great Southern underwriters.

Mr. Charles Lyman Hedge, an independent adjuster at Syracuse, N. Y., once president of the Buffalo, N. Y., Board of Fire Underwriters in 1873 and formerly prominent as an agent there, died at his home in Syracuse on Washington's Birthday, aged sixty-four years. He had been suffering from paralysis. Mr. Hedge moved to Syracuse in 1896.

Mr. S. L. Grant, for years a prominent fire insurance agent at Springfield, Ill., was sentenced to a term in the penitentiary there last week after pleading guilty to charges of embezzlement. He represented the Royal, North American, Hartford, German American and Springfield. The companies took charge of his agency some time ago.

Mr. S. Franksford Trull, secretary of the New England Mutual Life, died suddenly from apoplexy at his home in Woburn, Mass., on February 23. He had been with the company thirty-eight years, the latter seventeen years as secretary. He was prominent as a Mason and in local financial circles. He was fifty-six years old.

Mr. Walter D. Williams, who has been for some years in the service of the Spring Garden of Philadelphia, acting as its special agent at various times in Illinois, Iowa, Wisconsin and Minnesota, has been elected second vice president of the company in recognition of his good work in the past.

Mr. Herbert Edgar Ward, assistant comptroller of the Prudential insurance company of Newark, N. J., and a son of Leslie D. Ward, first vice president of the company, died at his home in that city on February 28. He was twenty-eight years old, and leaves a widow and one child.

Insurance Superintendent Yates, of Missouri, whose term expired March 1, will hold over a month longer at the request of Governor Folk, who has not yet decided upon his successor, who, according to report, will be either Congressman Van Diver or ex-Lieutenant Governor Rubey.

Mr. Ashbel E. Bartram, senior member of the Bridgeport, Conn., insurance firm of Bartram & Greene and formerly a life insurance agent, died at his home in that city, after a long illness, on February 21. He was sixty-two years old and a veteran of the Civil War.

Mr. Dean A. Baldwin, of Marion, Ind., former special agent for the Merchants of Newark, has been appointed special agent of the Aachen and Munich for Indiana and lower Michigan. Mr. C. L. Baston, of the same company, has had upper Michigan added to his field.

Mr. Edward B. Creighton has resigned as special agent of the New Hampshire Fire in Pennsylvania, Delaware, Maryland and the District of Columbia, and has been appointed secretary of the Underwriters' Association of the Middle Department.

Manager Charles Lyman Case, of the London Assurance, has gone to Mexico to look over the ground and see whether it is a promising one for his company, which already has a deposit in that country.

Mr. W. W. Greek, local agent at Bluffton, Ind., has been appointed special agent of the German of Freeport, for the northern part of Indiana, and has sold his local agency to Mr. Walter Fetters.

Mr. A. F. Powrie, assistant State agent for the New York Underwriters' Agency at Detroit, has left that connection to become State agent of the Providence-Washington for Michigan.

Mr. Emerson D. Dwyar, president of the Winona Fire insurance company of Winona, Minn., and a prominent capitalist, died at his home in that city of heart failure on February 21.

Mr. Michael F. Perry, assistant superintendent of the Life Insurance Company of Virginia at Asheville, N. C., died at Baltimore, Md., February 27, aged thirty-one years.

Mr. John Rust Shumate, for a decade past general agent of the Union Mutual Life of Portland, Me., at Lynchburg, Va., died there February 20, aged seventy-six years.

Mr. Robert C. Harrison, of Savannah, Ga., has been appointed special agent of the London Assurance Corporation for South Carolina, Georgia, Alabama and Florida.

Mr. R. E. Mackintosh, secretary of the Des Moines, Ia., Local Board of Fire Underwriters, has been appointed special agent for the Phœnix of Hartford in that State.

Mr. Daniel Prentice has resigned as Eastern general agent and New York city agent of the Western insurance company of Pittsburgh.

Liverpool and London and Globe: A. M. Upham, of Jacksonville, Ill., special agent in Illinois, assisting State Agent J. W. Hubble.

Mr. John S. Moore, special agent of the Hanover Fire in Kentucky and West Virginia, died at Hopkinsville, Ky., February 26.

Mr. Joseph S. Frelinghuysen has been appointed a colonel and personal aide on the staff of Governor Stokes of New Jersey.

Mr. A. L. Myrick, local agent at Fulton, Ky., has been appointed special agent of the Continental for Eastern Kentucky.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

United States Congress.

The following is the full text of the bill introduced in the Senate February 27, by Mr. Dryden, to establish Federal regulation of insurance, and referred to the Committee on the Judiciary:

A bill to amend an act entitled "An Act to Establish the Department of Commerce and Labor," approved February 14, 1903, being Chapter 552 of the United States Statutes enacted by the Fifty-seventh Congress.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that the act entitled "An Act to Establish the Department of Commerce and Labor," approved February 14, 1903, be amended by adding thereto the following:

Sec. 14. That there shall be in the Bureau of Corporations an officer called the Superintendent of Insurance, in charge of a division of said bureau to be called the Division of Insurance, who shall be appointed by the President, by and with the advice and consent of the Senate. He shall hold this office for a term of four years, unless sooner removed by the President. He shall receive an annual salary of ——— dollars, to be paid in monthly instalments. There shall also be in said division an official to be known as the national actuary, who shall aid and assist the Superintendent of Insurance in the capacity of an actuary. There shall also be a chief clerk to the Superintendent of Insurance, who shal be called the deputy superintendent, who is authorized to perform the duties of the Superintendent of Insurance in his absence, and such special agents, clerks and other employees as may be authorized by law and may be necessary for the work of said division. No officer or employee who may be employed in the insurance division of said bureau shall be interested, directly or indirectly, otherwise than as a policyholder, in any insurance corporation, association or partnership. Every certificate and all other papers or copies thereof issued by said Superintendent of Insurance in pursuance of law and sealed with the official seal of the Department of Commerce and Labor shall be received in evidence in courts of law and all other places. There shall be assigned suitable office rooms in the Department of Commerce and Labor for the Superintendent of Insurance and his subordinates, and their work shall in all respects be subject to the supervision of the Secretary of Commerce and Labor and the Commissioner of Corporations. All officers and employees of this division, other than the superintendent, shall be appointed by the Secretary of Commerce and Labor.

Sec. 15. That the term "locality," as hereinafter used in this act, shall mean the State, Territory, District, or foreign nation the government of which has granted or may grant any charter, license, or other authority to transact insurance business, and the term "interstate commerce insurance," as hereinafter used, shall be deemed to apply and comprise only such contracts of insurance and transactions thereunder as may be made or carried out by a corporation, with the insured, in a State, District, Territory, or foreign nation other than that of the locality of such insurer.

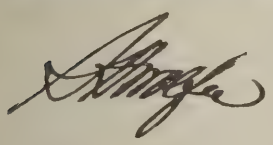
Sec. 16. That policies of insurance are hereby deemed to be articles of commerce and instrumentalities thereof. The delivery by said corporations of said contracts of insurance from the State, Territory, or country of the locality to citizens, corporations, or other persons located in other States, Territories, or nations, the transmission by the insured from such other States, Territories, or nations of the premiums or other valuable consideration for said policies to the home office of the company, in the State, Territory, or nation of the locality, if and when said locality is situated in another State, nation, or Territory, and the transmission by the said insurance company from the home office to the insured in other States, Territories, or foreign nations than that of the locality of any sums of money which from time to time shall become due to the insured on said contracts of insurance, are hereby declared and deemed to be transactions in interstate or foreign commerce, as the case may be; but the provisions of this act shall not apply to any corporation transacting the business of insurance exclusively within one State, District, or Territory: And provided further, That this act shall have no application to any religious or charitable, benevolent, or purely fraternal society or association.

Sec. 17. That the Superintendent of Insurance, subject to the approval of the Secretary of the Department of Commerce and Labor, may from time to time fix fees and establish rules, regulations, and requirements, not inconsistent with law, for conducting the business of the division. Said rules and requirements shall provide methods and forms for annual reports to the Superintendent of Insurance by corporations transacting interstate or foreign commerce insurance, which annual reports shall be duly attested, under seal, by such corporations and acknowledged and sworn to by the president and secretary thereof before an official authorized to administer oaths. The said rules and requirements shall also provide that at any time when, in the judgment of the superintendent, it shall appear requisite for the security of the policyholders of any corporation transacting interstate or foreign commerce insurance the said superintendent shall cause to be

(*Continued on page 203.*)

STATE SUPERVISION OF INSURANCE.

S. H. Wolfe, Consulting Actuary, Before the Wharton School of Finance of the University of Pennsylvania.



Mr. S. H. Wolfe, consulting actuary, read a paper before the Wharton School of Finance of the University of Pennsylvania, in the insurance course at that institution, the subject being "Supervision of Insurance by the Government." The following are extracts:

* * Within the past few days the citizens of this country have been interested by the suggestion emanating from the Department of Commerce and Labor, to the effect that all corporations should be required to obtain Federal charters, and thus subject themselves to supervision from that source.

It may not be uninteresting at this moment to refer to a paragraph contained in the report of the Secretary of this Department, published shortly after the President's message. In speaking of the insurance companies he says: "The rapid development of the insurance business, its extent, the enormous amount of money and the diversity of interests involved, and the present business methods suggest that, under existing conditions, insurance is commerce, and may be subjected to Federal regulation through affirmative action by Congress. The whole question is receiving the most careful consideration upon both legal and economic grounds." I shall refer more fully in the latter part of this paper to the question of Federal supervision; but I desire at this time to pass to the more practical phase of the question, which may be found in an answer to the question: "How is the State supervising insurance companies, and does such supervision redound to the benefit of the citizen?"

In the first place not everybody is of the same mind as to the necessity for the exercise of this branch of the public government. The opposition may be broadly divided into two classes: First, those who desire no supervision because it imposes additional labors or expenses upon them, or else their methods are such that they prefer to walk in those dark lanes and byways where the great, broad beam from the searchlight of publicity cannot reach them; and, second, those who believe that supervision of insurance companies is a form of paternalism which is inconsistent with the principles underlying the government intended for this country by our forefathers. We need waste but little time on the first class, but the second class is entitled to a respectful hearing.

I shall not attempt, however, at this time to debate the question of paternalism. It is far too broad a subject to be disposed of in the short time allotted to me; but as long as the citizens of any sovereign State, through their legally elected representatives, decide that the public welfare requires its banks to be examined, its physicians to pass a satisfactory examination before they are entitled to practice, its dentists to undergo a similar ordeal before they are permitted to operate upon our molars, and (as in the case of our sister State, New York) require its barbers to give convincing evidence that they are competent to cut the citizen's hair and shave his beard.

I see no reason for taking umbrage at an extension of this paternalistic doctrine to insurance companies. In fact I see additional and weighty reasons, for while we must of necessity be present while submitting to the ministrations of the barber, our life insurance policies are more or less shadowy and vague unrealities during our existence, and usually assume their prime importance when we are no longer here to explain what our intentions were and what representations were made to and by us. As the tendency of the times is in the direction of an increased supervision, rather than the abolition of it, I think it will be fair to all concerned if we accept it as it stands today in this country and discuss it from that viewpoint.

PRESENT SUPERVISION BY THE STATES.

Each of the States and Territories comprising this great United States has an insurance department, and in addition thereto the District of Columbia likewise exercises to the fullest extent its control over insurance corporations. The supervising officer is known by various titles. In the larger States he has a separate department of his own, and is known as the Commissioner or Superintendent of Insurance. Other States (some of which are large and wealthy enough and have sufficient insurance interests to entitle them to a separate bureau) have attached their insurance department to the Auditor of State's office, where it is administered oftentimes in a most perfunctory manner by the same machinery that is furnished by the State for looking after building and loan associations, savings banks, county treasurers, etc. In some others the Secretary of State looks after the details, while in others the State Treasurer is the responsible officer. In nearly every case where the Insurance Department is a separate branch of the State government its head is appointed by the Governor. In fact there are only two States, I believe —Delaware and Wisconsin—whose insurance commissioners are elected by direct vote of the people.

Each State has an insurance code of its own, and the difficulties and annoyances which insurance companies experience in trying to comply with fifty different sets of laws may well be imagined. There is a crying need for uniformity in this matter, and for a radical change in the laws of all the States. I know of no one State which possesses a code of insurance laws which may even be termed reasonably satisfactory. The insurance business has attained such proportions, and contributes so liberally through taxation to the income of the State that it is entitled to more equitable and reasonable treatment than it is receiving at present.

THE DUTIES OF AN INSURANCE COMMISSIONER

may be said to be threefold. First, to see that the laws of his State are obeyed; second, to see that the citizens of his State are justly treated by the insurance corporations; and third, to see that the insurance corporations themselves are protected while operating under his permit. His duty in administering the law requires that he shall cause every company authorized to do business in his State to file an annual report setting forth in detail its receipts, its disbursements, its assets, its liabilities and such other information as he shall deem necessary. He must see that it has complied with all of the laws of the State from which it received its charter, and that it has on deposit with the proper officer there approved securities worth at least $100,000. He must see to it that a resident of his State is appointed its attorney, upon whom legal process may be served in order that the citizens of his State may not be compelled to go beyond its borders to serve the necessary papers in the event of litigation. He is required to publish this for the information of his fellow citizens. He is required to see that no agent solicits insurance without a license; that the company makes a correct return of the taxes which are imposed upon it by the laws of his State, and finally to exercise that relic of barbarism known as the retaliatory law, whereby he is compelled to say in practice to the corporations of other States, "because your laws impose unjust and onerous conditions upon my corporations I will act in the same unjust and arbitrary manner toward you." It is a matter of regret that this legacy from the Dark Ages is to be found upon the statute books of so many of our enlightened States.

Now, as to his duty to the policyholders of his State. He must be prepared to investigate complaints, to ascertain whether the policyholder is receiving the treatment to which he is entitled and to see that no unjust discriminations are worked against any particular individual. He must likewise value the outstanding policy obligations of insurance companies in order that he may determine whether, as in the case of a fire insurance company, it is holding a sufficient amount to pay its losses as they mature, or whether its entire collections have been dissipated in the form of expenses and salaries; and whether, as in the case of a life insurance company, it has sufficient funds on hand

to provide for the rigid carrying out in the future of its contractual relations with its policyholders.

He must likewise protect the interests of the citizens of his State by frequent examinations of his local corporations, and in cases where he deems it necessary by the examination of corporations situated outside of his State. This is an important part of his duties, for without it he is powerless to know whether the annual statement filed by the company, which is naturally the basis of his opinion of its condition, is a true and correct exhibit of its operations. There is much need for reform, however, in the manner in which this branch of the commissioner's duties is administered. Unfortunately, the laws of the various States require the corporation examined to pay the expense of the commissioner's investigation. This may justly be compared to that refinement of torture whereby the youthful miscreant was compelled to cut the switch with which he was to be thrashed. The expenses of all examinations should be borne by the State conducting them.

PROTECTION OF THE INSURANCE COMPANIES BY STATE SUPERVISION.

And now comes his third duty, which is by no means the least important, viz., the protection which he should afford to the insurance companies. As he is gifted with great power it becomes him to administer it with a gentle hand. He should carefully refrain from using his office as a collection agency for claims. And, above all, he should be in a position to thoroughly eradicate that evil known as "wildcat" insurance, by which is meant the operations of those predatory corporations which steal into a State, write insurance of a worthless character, and are away again before the deluded policyholder can realize that he has been made the victim of a swindling game. The insurance companies which submit themselves to the operations of the insurance laws of a State are entitled to insist upon the extermination of the "wildcatters." It is their privilege and their right.

There have been good commissioners and bad commsioners, honest men and dishonest men, capable men and those of absolute incompetence, in the same way that we find desirable and undesirable men in every walk of life. I think, however, that considering their opportunities and realizing that they are men who are taken from other walks of life, temporarily clothed with great authority, and in nearly every case realizing that they are liable to removal from office just about the time that they are beginning to learn their duties, that the insurance commissioners of this country have creditably administered the task assigned to them, and their record compares most favorably with that of any other branch of the Government. Crude though it may be in spots, I believe that the system of supervision exercised over insurance companies today is far more effective than is the supervision exercised over national banks.

THE QUESTION OF NATIONAL SUPERVISION.

I have determined, in view of the interest which has lately been manifested in the direction of substituting or supplementing State supervision by National supervision, to devote a little time to a discussion of this feature of the question. We are, to use the words of that eminent jurist, Judge Grosscup, "in the midst of a sweep of events that, unless arrested and turned to a different account, will transform this country from a nation whose property is within the proprietorship of the people at large, to a nation whose industrial property, so far as active proprietorship goes, will be largely in the hands of a few skilled or fortunate, so called, captains of industry and their lieutenants." What Judge Grosscup says about corporations in general is particularly and peculiarly applicable to insurance companies. There never was a time in this history of this class of corporations when there was such grave danger of the power of great wealth becoming centralized as there is at the present time, and unfortunately, a great wave of speculation has coincidently swept over the country. It is to the credit of insurance managers generally that they have resisted what might be a natural tendency to use the trust funds in their keeping as a means of personal aggrandizement, and for the flotation of speculative enterprises; and I do not hesitate to say that the restraining influence which has kept them from these dangerous paths has been the publicity which State supervision is enabled to demand.

Within recent years one of the large insurance corporations in this country determined to take the profits which had been accumulated by the contributions of its policyholders and distribute them in the shape of "dividends" among its stockholders. Three or four strong minded, fearless, insurance commissioners served notice upon the officers of that corporation that the carrying out of the plan would meet with their disapproval and its attendant consequences. The managers wisely determined to abandon the scheme. Subsequently the same corporation attempted to practically merge its identity with that of a trust company, similarly officered, with the result that a number of insurance commissioners again served notice upon it, that to persist in its determination would mean the revocation of its licenses in their respective States. That the judgment of the commissioners was well formed is borne out by the fact that the courts of the State in which the company is domiciled issued an injunction forbidding the merger. Is it any wonder that the officers of this corporation are among the warmest and strongest advocates of the abolition of the entire structure of State supervision?

WHO DEMANDS A NATIONAL BUREAU?

From whom does the demand come for the establishment of a National bureau at Washington, which will do away with fhe various State departments? Strange as it may seem, the policyholder, who primarily is the one benefited most by supervision, has indicated no desire to have the present methods changed. The entire demand for the new order of things comes from the officers of the insurance companies, who seek in this way to escape the burdens and compliance with the dicta of State supervision. Why, they ask, if the banking business is supervised by the Federal authorities, should not the insurance business be treated in a similar manner? The answer is simple. The banking business is not supervised by the Federal Government, except when the bank attempts to exercise a function of the central Government, viz., "to emit bills of credit."

In other words, there may be a bank incorporated under the laws of any of the States, which transacts an enormous business, which practically has agents in every State of the Union, and whose operations partake of an interstate nature as thoroughly as any can. The Government does not attempt in any way to exercise supervision over it; but let a bank, no matter how small its capital, no matter how restricted its operations, once issue bank notes, and it becomes at once an object of visitation by the central Government, which insists upon a regulation of the affairs of such an institution in order that the early scandals of repudiated bank notes be not repeated. The National Government does not say to a banking institution: "Because you are large and operate in every State of the Union we will supervise you"; but it applies the sole test: "Are you exercising a function of the central Government? If so we will see that you so conduct your business along proper lines that the credit of the United States will stand behind every dollar note that is issued to the world with the names of your president and cashier upon it."

Again we are asked, "If the Government supervises railroads, why should it not supervise insurance companies?" And a consideration of this question brings us face to face with the fact that the Interstate Commerce Commission was appointed, not at the request of the railroads, but because the individual shippers found themselves unable to secure equitable treatment at their hands. The reason that this Government is able to supervise railroads, even in the inefficient manner in which it does it at present, is owing to the permission which is granted to it specifically by the Constitution of the United States to regulate commerce between the various States. To bring insurance companies, therefore, into the same category with railroads we ought to be prepared to show that they, too, are transacting an interstate commerce business. We may each of us have a distinct idea as to what constitutes commerce, and to what extent an insurance policy may be designated as an instrument of commerce.

ATTITUDE OF THE SUPREME COURT OF THE UNITED STATES.

Fortunately, we are enabled to turn to the proceeding of the highest court in the land, and find out how the Supreme Court of the United States has placed itself upon record in this matter. The two cases which I am about to cite are important historically, as they mark definite expressions of opinion, and they must be reversed *in toto* in order that the suggestion of the President of the United States and of the Secretary of the Department of Commerce and Labor be carried into effective operation. Before doing so, however, I desire to absolve myself from any intention to enter into the realms of constitutional law, State sovereignty and the various other intricate legal problems which

are the logical and natural results of the discussion of this question from the legal side. It is my intention merely to state these two cases and the findings of the court.

[Here followed a statement regarding the decision of the Supreme Court in the case of Paul vs. the State of Virginia in 1868 and Hooper vs. the State of California in 1888, with excerpts therefrom.]

I have given these two quotations, as they seem to have a direct bearing upon the right of the National Government to attempt to regulate the conditions upon which insurance companies may transact their business in the various States. I seriously question the possibility of interference with (a) the right to tax, or the amount of taxation which may be levied by a State upon a foreign insurance company; and (b) the right to interfere with the right of examination which is now exercised by the various State governments. If the establishment of a central bureau cannot do away with these, underwriters generally have been frank enough to say: "We do not want national supervision, for it would simply mean the imposition of another supervising officer without mitigation of the present evils." Fire insurance managers, who, by the very nature of their business, are required to exchange information and consult relative to the making of rates, fear that their operations may bring them within the purview of the Sherman anti-trust Act.

THE MORRELL BILL IN CONGRESS.

It may not be remiss for me to remind you that at the present session of Congress there was introduced a bill providing for the national regulation of insurance, by a representative from this State. From what has gone before I think you will have judged that insurance is a complex subject, and one requiring specialists for its administration. With these points in view, a critical examination of the bill just introduced will, I think, indicate to an impartial observer two things at least. First, that the supervision of all the companies in the United States is a piece of work of such magnitude that it is hardly practicable to have it undertaken by one department; and second, that if it be possible to find the man who is competent as a fire underwriter, who is sufficiently well versed in the legal and actuarial doctrines to be able to supervise life insurance companies, and who is able to intelligently grasp the situation as it affects casualty, plate glass, and employers' liability companies, we will find the man who is worth many times the extravagant salary of $3,000, which Mr. Morrell proposes to pay the head of this bureau.

Is this not a bid for a repetition of the very evil which is so dominant in State supervision, viz., filling the office as a reward for political services? I must admit that I cannot look without apprehension upon placing so much responsibility in the hands of one man. I believe that there is less liability of doing an injustice to the insurance interests by distributing the responsibility than in concentrating it as proposed. The insurance world has seen men in office as State insurance commissioners who administered their duties in the most dishonest and disgraceful way. To imagine men of similar stripe in charge of a national bureau is sufficient to cause the gravest apprehension. I believe that we can accomplish more good by developing State supervision rather than by curtailing it, and I know of no more appropriate conclusion to a paper of this kind than the enunciation of a few doctrines which in my opinion would lead to that end.

The proper method of securing the ideal condition is to use our influence in taking State supervision out of politics. Let us follow the example of several of the New England States, which having found capable officials to fill the positions have kept them in office through administration after administration. Politics ought not to be a factor. There is no department of the State government which should be so independent and so free from entangling alliances as the insurance department. At the first sign of trouble the depositor in a bank may secure himself against loss by withdrawing his deposit, and transferring his banking operations to another institution. Policyholders in insurance companies, particularly life insurance companies, are not so situated. Their contracts mature many years after they are entered into. They cannot be surrendered at will without loss being sustained. and in the event of the failure of an insurance company the policyholders may find themselves, through age or deficient physical condition, in such a position as to be deprived entirely of the benefits of protection.

Let us surround this business, therefore, with every safeguard that we can, be it State or national, in order that we may preserve forever and ever the benefits of this beneficent institution.

(*Continued from page 200.*)

made, by himself or one or more competent and disinterested persons specially appointed by him for that purpose, an examination into the business and affairs of such corporation for the purpose of determining whether it is solvent and trustworthy.

"Sec. 18. That every corporation transacting interstate or foreign commerce insurance shall, within sixty days after the passage of this law, and every company hereafter formed shall, before engaging, in interstate or foreign commerce insurance, comply with its provisions by filing with said superintendent a certified copy of its charter and bylaws, together with an officially certified copy of the last complete statement of its condition and affairs filed in the office of the superintendent, Commissioner of Insurance, or other authorized official for the State, Territory, District, or nation of its origin, and a certificate under the seal of the proper officer of its origin, and a certificate under the seal of the proper officer of its government, setting forth the value of all outstanding obligations of said corporation on the last previous thirty-first day of December, and certifying that the said corporation is authorized to do business in the locality where it was organized. Every corporation, at the time of filing the copy of its statement as aforesaid, must deposit with the Treasurer of the United States, as a guaranty for the faithful performance of its contracts of insurance, United States bonds, or other securities satisfactory to said superintendent, to the amount of one hundred thousand dollars: Provided, however, That the Superintendent of Insurance may accept, in his discretion, in lieu of such deposit a certificate issued under the seal of the Insurance Department of the State of the locality, certifying that said insurance company has deposited, under the laws of the State of its locality, with the authorities of said State, cash or securities to the amount of at least one hundred thousand dollars for the protection of their policyholders: And provided further, That if any foreign nation requires American insurance companies, as a condition of transacting the business of insurance in such foreign nation, a deposit greater than the sum of one hundred thousand dollars, in such case the Superintendent of Insurance shall exact from such foreign insurance company, as a prerequisite to their right to transact business in the United States, a sum of money or a deposit of securities as great in amount and value as that required of American companies doing business in such foreign country. The superintendent may, in his discretion, permit the exchange of securities deposited as aforesaid.

Sec. 19. That whenever a corporation transacting interstate or foreign commerce insurance shall have complied with the requirements of this act, and the superintendent shall be satisfied as to its solvency, it shall be the duty of the said superintendent to furnish a certificate thereof, and a license shall be thereby granted to carry on the proposed business of insurance, and under such certificate the licensee shall have power and authority to transact such interstate or foreign business in any and all parts of the United States: Provided further, That when the laws or the administration of the laws of any foreign nation shall discriminate against any corporations of any State, Territory or District of the United States licensed to do business under this law, by refusing to them license, permission or authority to transact the business of insurance in such foreign nation, then and in every such case the Superintendent of Insurance of the United States shall refuse license to any insurance corporation of such foreign nation so long as such license is refused to any corporation of any State, Territory or District of the United States doing business under this law: And provided further, That when by the laws or by the administration of the laws of any foreign nation insurance corporations of any State, Territory or District of the United States doing business under this law shall be subjected to rules, regulations or restrictions other than those provided for the regulation of corporations having origin in said foreign nation and transacting business on similar plans or methods, the Superintendent of Insurance shall subject the corporations of such foreign nation transacting interstate commerce insurance to like rules, regulations or restrictions.

Sec. 20. That every corporation before transacting interstate or foreign commerce insurance shall appoint a person in each

State, Territory, or District beyond its locality in which it carries on business on whom process of law may be served, and shall file a certified list of such appointees in the division of insurance.

Sec. 21. That whenever final judgment, from which no appeal is pending, is obtained against any corporation upon a liability arising under a contract of interstate or foreign commerce insurance in a court of record of the United States having jurisdiction of the parties and subject matter, and execution shall be issued and returned unsatisfied and a duly certified copy of the proceedings presented to the Superintendent of Insurance, he shall forthwith give notice to the corporation that if the said judgment is not paid within sixty days from the date of such notice the authority to transact interstate or foreign commerce insurance may be revoked; and if at the end of said sixty days evidence of the payment of said judgment has not been filed with the Superintendent of Insurance he may, in his discretion, revoke the license of said corporation and give public notice thereof.

Sec. 22. That the securities transferred to and deposited by any corporation with the Treasurer of the United States, as hereinbefore provided, shall remain in the custody of the Treasurer of the United States until all the obligations of such corporation that have arisen out of interstate or foreign commerce insurance shall have been discharged or otherwise terminated; and the corporation maintaining such deposit unimpaired shall be entitled to receive the interest thereon as it accrues. Whenever a receiver shall be appointed in a court of the United States of competent authority and shall present to the Superintendent of Insurance a duly certified copy of such appointment, together with an order of said court for the delivery to said receiver of the bonds or securities held by the Treasurer as a guaranty for the contracts of such corporation, in order that they may be distributed among the beneficiaries, in accordance with the principles of equity, said superintendent shall apply to the Treasurer for said securities, and the Treasurer shall deliver them to the receiver appointed by said court.

Sec. 23. That it shall be the duty of every corporation doing business under this act to render annual reports to the Superintendent of Insurance on the fifteenth day of January, or within sixty days thereafter, in such form as the said superintendent may prescribe, giving a detailed statement of its assets and liabilities and of its receipts and disbursements for the calendar year last past. All such reports shall be suitably arranged and published in proper and convenient book form, and shall also be transmitted to the Congress of the United States with each annual report of the Department of Commerce and Labor.

Sec. 24. That whenever from the statements and reports herein required, or from any other information, it shall appear to the Superintendent of Insurance that the financial condition of said corporation doing business under this act is unsafe, it shall be the duty of the Superintendent of Insurance to order such corporation to make good its financial condition, and if this be not done within sixty days after such order is given the Superintendent of Insurance shall revoke the certificate of authority to such corporation to transact business under this act, and public notice thereof shall be given, in such manner as may be prescribed in the rules and regulations herein provided, which information shall also be transmitted to the proper officer charged with the execution of the insurance laws of the locality where such corporation was organized. When, from information derived from annual statements or otherwise, it shall appear to the Superintendent of Insurance that the financial condition of any corporation of a foreign nation transacting business under this act is unsafe, it shall be the duty of said superintendent to order such corporation to make good its financial condition and to cease doing business under its license until this order is obeyed; and upon the failure to comply with such order within sixty days due publication thereof shall be made, and the license under this act shall be withdrawn until satisfactory evidence of solvency shall be submitted to and accepted by said Superintendent of Insurance.

Sec. 25. That all fees collected under the regulations of the Superintendent of Insurance, approved by the Secretary of the Department of Commerce and Labor, shall be paid monthly into the Treasury of the United States, and all the expenses of administrating this law shall be paid by the Treasurer of the United States from the appropriation for the Department of Commerce and Labor.

Mr. Wachter, of Maryland, has introduced a bill in the House to require every level premium life insurance company doing business in the District of Columbia to deposit United States bonds with the Register of Wills of the par value of not less than $100,000.

Arkansas.

LITTLE ROCK, Ark., February 25.—Senate Bill No. 228, introduced February 22 by Mr. Amis, and referred to the Committee on Insurance, affects the bonds required to be filed by companies doing business in the State.

LITTLE ROCK, Ark., March 2.—Senator Milan has introduced a bill modifying the new anti-trust law so that its provisions regarding rate agreements shall relate only to the State of Arkansas, regardless of any agreement of companies outside the State.

LITTLE ROCK, Ark., March 3.—Following is the text of House Bill No. 377, introduced by Mr. Coleman, February 27:

Sec. 1. Be it enacted by the General Assembly of the State of Arkansas that after the passage of this act it shall be the duty of the tax assessors of this State to list and assess all the cash surrender values of life insurance policies or contracts which they may find in their respective counties in this State.

California.

SACRAMENTO, Cal., February 24.—Senate Bill No. 240, by Mr. Carter, relating to the investments of insurance companies, has been signed by the Governor.

Connecticut.

HARTFORD, Conn., March 2.—The legislative Committee on Insurance reported favorably on the Senate bill, by Mr. McGovern, requiring surety companies to maintain a reserve fund for reinsurance, equal to 50 per cent. of the gross premiums received on business in force. Another bill adds the following fees to those which the Insurance Commissioner may collect from insurance companies doing business in this State: Certificate of valuation, organization, reciprocity, or authority, $2; certified copy of license to company, $2; copy of report or certificate of condition of company, to be filed in another State, $10.

The statutes are amended by another bill which provides that the capital of every surety company doing business in this State shall not be less than $250,000, whether the company does only surety business or other insurance business in connection with surety business. Every surety company must furnish such information to the Insurance Commissioner as he may demand or require.

A substitute bill reported by the Insurance Committee, regarding reports of fire insurance companies to the Insurance Commissioner, requires the companies to report the gross amount of premiums on policies running one year or less from the date of the policy, and a pro rata amount of all premiums on policies running more than one year from date of policy.

Idaho.

The House Bill No. 214, by Mr. Goodnight, is an amendment to the anti-rebate law.

Illinois.

SPRINGFIELD, Ill., March 1.—Mr. Mueller has introduced Senate Bill No. 131, to repeal the act licensing agents to procure fire policies in unauthorized companies.

Mr. Clark has introduced Senate Bill No. 27, to amend Sections 32, 35, 36, 38 and 39 of the act of March 30, 1872, as amended by act of May 15, 1903, and June 19, 1903, regulating taxation of corporations. It brings insurance companies under the provisions of this taxation act.

Indiana.

INDIANAPOLIS, Ind., February 27.—The Senate this afternoon passed House Bill No. 2, by Mr. Guirl, under suspension of the rules, after adopting the majority committee report, requiring $50,000 instead of $20,000 cash assets for mutual fire insurance companies (File 3676).

INDIANAPOLIS, Ind., February 28.—House Bill No. 426, by Mr. McHenry, has been recommended for passage by the House Insurance Committee after amendment providing that stocks or bonds in which investments are made shall be valued "at the current market value thereof at the date of admission of such company to do business in this State."

The House has passed Senate Bill No. 50, by Mr. Hendee, and House Bill No. 360, by Mr. Guirl. The latter is an anti-combine bill.

INDIANAPOLIS, Ind., March 1.—The Senate today killed Senate Bill No. 92, the classification bill on private corporations, on third reading, by a vote of 30 to 18. This action was clinched by tabling a motion to reconsider. The Senate refused to concur in the House amendments to Senate Bill No. 501, by Mr. Hendee, and a conference committee was appointed.

Kansas.

TOPEKA, Kan., February 24.—Mr. Young has introduced a bill in the House to prohibit rate discrimination by fire insurance companies.

The Senate committee has recommended for passage a bill by Mr. Brewer, a bill increasing the penalty for unlicensed agents to $500 for each offense.

TOPEKA, Kan., February 24.—House Bill No. 294, by Mr. Husey passed the Senate today. This will probably be the only general insurance bill enacted this session.

Maine.

AUGUSTA, Me., March 3.—The Senate has passed the Clark bill repealing the arbitration clause in the standard fire insurance policy by a vote of 20 to 3. A hearing will be given Tuesday, March 7, on the bill giving policyholders thirty days in which to give notice of disability under health policies.

Massachusetts.

BOSTON, February 24.—The Senate this afternoon accepted the adverse report of the Insurance Committee on the petition (with Senate Bill No. 101) of Thomas J. Collins, and another for legislation to authorize the surrender of a paid up policy of life insurance at any time.

The Senate also concurred with the House, without debate, in accepting the adverse report of the Insurance Committee on the petition (with House Bill No. 446) of Edward J. Sennott, that policies of industrial and prudential companies shall be paid in full after one annual payment has been made upon them.

Quite a debate occurred in the House over the effort to postpone to Tuesday the debate upon the acceptance of the adverse report upon the petition of James H. Mellen for the appointment of a commission to investigate the insurance system of the State. But the plea that important information was to be produced did not influence the House, although it was said that some of the members of the Insurance Committee favored the petition, and the adverse report was accepted by a large majority.

A brisk debate occurred on the bill (House Bill No. 177) to enable cities and towns to establish municipal building insurance funds. A motion to refer the bill to the Insurance Committee was defeated and the bill was ordered to a third reading by a large majority.

BOSTON, Mass., February 27.—The Senate this afternoon concurred with the House without debate in accepting the adverse report of the Committee on Federal Relations, on the petition (with accompanying resolutions, House, No. 559) of Peter P. Porter, that Congress be memorialized in behalf of a bill to authorize Federal supervision of insurance companies.

BOSTON, Mass., March 1.—A long debate occurred in the House on the bill (House No. 177) to authorize cities and towns to establish municipal building insurance funds. An amendment, to make the bill apply to cities alone, was lost by a decisive vote, and the bill was then passed, to be engrossed, by 108 to 30.

Without debate the House concurred with the Senate in accepting the adverse report of the insurance committee on the petition (with Senate Bill No. 101) of Thomas J. Collins for legislation to authorize the surrender of a paid up policy of life insurance at any time.

Minnesota.

ST. PAUL, Minn., February 25.—The House Insurance Committee today reported favorably House Bill No. 92, by Mr. Anderson, to turn into the State treasury all fees collected by the Insurance Commissioner.

ST. PAUL, Minn., March 1.—Two new bills were introduced today to forbid fire insurance companies or agents combining on rates. They are House Bill No. 450, by Mr. Putnam, and House Bill No. 455, by Mr. Thompson.

ST. PAUL, Minn., March 1.—More than thirty amendments to the insurance laws, as revised by the statute revision commission, are made in the report of the sub-committee on insurance of the House Judiciary Committee, which has been submitted to the House.

There are eight important changes in the laws as expressed in the code, as follows:

First—The 2 per cent. premium tax which the code commission imposed on the total business of the insurance companies is restricted to the Minnesota business. If the law had been passed as drafted by the code commission, the annual Minnesota tax on insurance companies doing business in this State would aggregate from $1,000,000 to $2,000,000, much more than the total expenses of running the State government one year.

Second—The provision in the code that only those fire departments that have a fire engine, a hook and ladder truck and a hose cart shall be entitled to the fire department aid is amended to apply to all fire departments. If the provision in the code had been passed, it is said that two-thirds of the fire departments in the State would have been deprived of the State aid which results from the distribution of the 2 per cent. premium tax collected by the State.

Third—The coinsurance law in the new code is amended so as not to apply to risks of less than $25,000 except on grain elevators and warehouses. The provision in the code authorizes insurance companies to write coinsurance when requested by the applicant on all risks, no matter how small. It is probable that a bill will be introduced extending the coinsurance law to all risks, but the law passed in 1903 limited coinsurance to risks about $25,000.

Fourth—Fraternal beneficiary associations are exempted from taxation by the amendment of the House Judiciary Committee. A provision in the code imposes the regular 2 per cent. premium tax on fraternal companies as well as on fire and old line life companies.

Fifth—The Insurance Commissioner is not required to make valuations of life insurance companies annually, in the amendment of the House Judiciary Committee. Annual valuations are required by the new code, and if they are made annually the fees each year would amount to more than $120,000. The House amendment places the matter in the discretion of the Insurance Commissioner.

Sixth—The fee for valuing life insurance policies is left at 1

cent for every $1,000 instead of 1 cent for every $10,000, as provided by the new code.

Seventh—Publishers of newspapers and proprietors of job offices are authorized to form mutual fire insurance companies, in the House amendment. This provision of the law was omitted by the code commission.

Eighth—In the House amendment to the code the Insurance Commissioner is authorized to revoke the license of any company which fails to pay its taxes. The code does not give the Commissioner this power.

ST. PAUL, Minn., March 2.—House Bill No. 273, by Mr. Gates, introduced today, provides that on premiums paid in towns having a fire department fire insurance companies shall pay 4 per cent. tax, the tax on other premiums to be 2 per cent., as now.

Missouri.

JEFFERSON CITY, Mo., March 1.—Mr. Harrington has introduced House Bill No. 725, regulating insurance in cities of less than 100,000, and providing that there shall be a board, known as an Insurance Board, composed of three persons to be appointed by the mayor and council of their respective cities, towns and villages in this State, having less than 100,000 inhabitants, which shall have the authority and shall be empowered to fix reasonable and just rates, prices and premiums to be paid for insuring property against loss and damage from cyclone, lightning and fire and storms, and regulate and maintain when so determined such rates as shall be found right and just.

The fire marshal bill, House Bill, No. 583, by Mr. Keeney, has been reported favorably.

Montana.

HELENA, Mon., February 24.—Mr. Donlan has introduced House Bill No. 81 to permit foreign surety companies to do business in the State. The bill has been referred to Committee on Corporations.

HELENA, Mont., February 24.—The committee of the whole has favorably reported House Bill 205, by Mr. Lanstrum, repealing the tax on excess premiums.

HELENA, Mont., February 27.—The House has passed House Bill No. 205, by Mr. Lanstrum, taking the tax off excess premiums collected by life insurance companies.

Nebraska.

LINCOLN, Neb., March 1.—House Bill No. 277, to permit foreign accident and sickness insurance companies to do business in Nebraska, has been placed on the House general file.

Senate Bill No. 277, introduced by Mr. Beghtol, is to prevent special life insurance contracts, and is the usual anti-discrimination bill. No more new bills will be introduced, the time limit having expired.

New Hampshire.

CONCORD, N. H., March 1.—The Senate has killed the house bill, introduced by the Committee on Insurance, requiring a thirty day limit of notice in all sick and accident benefit companies.

New Jersey.

TRENTON, N. J., February 28.—Senate Bill No. 135, by Mr. Hillery, amends Section 65 of the act of 1902 relating to non-State insurance companies other than life by requiring them in their annual statements to report "the amount of premiums paid for reinsurance in other insurance companies authorized to do business in this State."

New Mexico.

SANTA FE, N. M., March 1.—Mr. Wilkerson introduced today House Bill No. 147, fixing the time for bringing actions on insurance policies and House Bill No. 139, relating to the drawing of fire insurance policies.

SANTA FE, N. M., March 2.—Both houses today passed House Bill No. 150, by Mr. Williams, providing that the insurance act, passed recently, creating a Department of Insurance, should not affect policies written prior to the passage of the bill, and changing the date for the act to go in effect from February to March.

New York.

ALBANY, N. Y., February 27.—Mr. Ambler tonight introduced Senate Bill No. 503, to require every individual or partnership or association of individuals known as Lloyds or as individual underwriters, now authorized by law to transact business of fire or marine insurance within this State, to create and maintain hereafter reserve funds equal to its liabilities. It is further provided that no such organization shall hereafter change name or establish branches under other or different names or titles without first obtaining the written approval of the Superintendent of Insurance.

The House Committee on Insurance tonight reported two of Mr. Lewis' bills—No. 634, as to amendment of charters of domestic insurance companies, and No. 635, forbidding formation of life and casualty insurance corporations upon co-operative or assessment plan after June 1, 1905.

ALBANY, N. Y., February 28.—A resolution was introduced today by Senator Marks, calling upon the Judiciary Committee to to report whether laws should be enacted providing for the distribution of surpluses of life insurance companies and for a form of yearly report which shall show how surpluses have been earned and invested; also whether policyholders are receiving their proper share of such surpluses and to recommend any changes in the insurance laws which it may deem desirable. Upon motion of Senator Raines the resolution was laid on the table and ordered printed.

ALBANY, N. Y., March 1.—In deference to requests from officers of many insurance companies, Chairman Wade has arranged a hearing for next Wednesday afternoon at 2 o'clock before the Assembly Committee on Taxation and Retrenchment on the bill of the committee taxing insurance companies annually 1 per cent. on gross premiums received during the preceding calendar year.

The Senate has deferred until Monday night the consideration of Mr. Marks' insurance investigation resolution offered yesterday.

The Senate Insurance Committee has reported these bills: Mr. Ambler's No. 215, relative to estimating the surplus profits of domestic fire corporations with title amended. Ordered reprinted and recommitted; also Mr. Ambler's No. 392, relative to amendment of charters of domestic insurance companies.

The Senate Insurance Committee this morning gave a hearing on Senator Brackett's Bill No. 266, requiring life insurance companies to embody in their policies all the conditions contained in their contracts.

A. C. Harwick, of Buffalo, representing the National Fraternal Congress, was the only speaker in opposition. He asked that the bill be amended so as not to apply to mutual benefit fraternal organizations. The committee agreed to report the bill with the amendment.

ALBANY, N. Y., March 3.—Another week will probably witness some interesting developments in pending insurance legislation. A good deal of feeling has been stirred up between certain

Senators over some of the insurance bills now before the Legislature, and all sorts of talk is being induged in as to the fate of this or that special insurance measure. Monday night will call forth a spirited debate over the resolution of Senator Marks directing the Senate Judiciary Committee to report as to the advisability of enacting laws for the distribution of the surplus of life insurance companies. The outlook is that the resolution will fail of adoption.

On Wednesday afternoon a big hearing will take place before the Assembly Committee on Taxation and Retrenchment on the bill of that committee imposing an annual tax on the gross premiums of fire insurance companies. A date will be fixed soon for a hearing on the Ambler-Lewis Lloyds association bill, just introduced.

ALBANY, N. Y., March 3.—The Senate has passed Mr. Malby's Senate Bill No. 156, requiring increased reserves of casualty insurance companies. Mr. Ambler's Senate Bill No. 393 to prohibit formation of life and casualty insurance companies on assessment or co-operative plan has been recommitted for a hearing by the Senate.

The same bill has been introduced by Mr. Lewis in the House as House Bill No. 798.

Following is the text of a resolution, introduced in the Senate, February 28, by Mr. Marks:

Whereas, The amount of surplus of the life insurance companies transacting business in this State is about $200,000,000 and to record is contained in any report made to the Insurance Department of how this surplus, as distinguished and apart from the assets in general of such companies, is specifically invested or deposited, or how it has been invested or used during each year; and

Whereas, It has been suggested in the public press that the surplus funds of insurance companies have been or can be used for purposes other than for the benefit of the policyholders and that legislation should be enacted in the interest of policyholders regarding such surplus; and

Whereas, It is also charged that a life insurance company in its report made to the Insurance Department for the year 1904 stated its liabilties to be $416,000 less than they actually were,

Resolved, That it be and it is hereby referred to the Committee on the Judiciary to report:

First—Whether in its opinion laws should be enacted, and if so what laws it would recommend providing for the distribution of the surplus either in cash, or in reduction of premium or with the policy, when such surplus shall exceed the amount required to be reserved by law, and whether the same shall be distributed yearly or at what other times.

Secondly—Whether in its opinion laws should be enacted and if so what laws it would recomend providing for a form of report to be made yearly by such companies, which report should contain separately the surplus funds apart from other assets, and showing how such surplus has from time to time been earned, used or invested during the year and what expenses have been paid therefrom.

Thirdly—Whether in its opinion such surplus fund should be kept as a separate and distinct fund and accounted for as such by such companies.

Fourthly—Whether in its opinion an investigation should be made of the manner in which the surplus funds of insurance companies have been used, invested or deposited, and with a view to ascertaining whether policyholders have received or are receiving their proper share and proportion of such surplus.

Fifthly—Whether in its opinion laws should be enacted and if so what laws, providing for a more detailed yearly report by insurance companies so that the reports as to the liabilities and condition of such companies may be made more reliable.

Sixthly—Whether in the opinion of the committee, other changes, and if so, what, should be made in other branches of insurance laws as to the management of companies, for the protection of policyholders, or as to reports or otherwise.

North Carolina.

RALEIGH, N. C., February 28.—The Legislature will soon end its session. It has done very little relative to insurance.

Mr. Stringfield has introduced Senate Bill No. 1079, to relieve the people from excessive insurance rates and to prevent the organization and maintenance of trusts in the business of fire insurance.

Mr. Scales has introduced Senate Bill No. 1154, to prevent fire insurance companies from limiting commissions of agents of other companies.

Senate Bill No. 274, by Mr. Scales, which was recently passed, and which was for the purpose of enforcing fire preventive regulations in cities and towns, was weakened in amendment by substituting "may" for "shall," making its provisions permissive instead of mandatory. Its force is thereby practically lost.

North Dakota.

BISMARCK, N. Dak., February 24.—The Senate Insurance Committee indefinitely postponed Senate Bill 96, for a State fire marshal.

Oklahoma.

GUTHRIE, Okla., February 24.—The Insurance Committee has recommended the passage of House Bill No. 211, by Mr. Levy, for the revision of taxation on insurance companies in cities of the first class. House Bill No. 241, by Mr. Robinson, requiring the filing of fire insurance policies with the city clerk, was also recommended for passage.

Pennsylvania.

HARRISBURG, Pa., February 24.—A House bill introduced today by Mr. Hutt provides that no life insurance company, incorporated in this Commonwealth or having authority to transact business herein, shall loan or pledge the funds or any part of the assets of such company to any officer or director of the same, or deposit, loan or pledge the funds, securities or any part of the assets, or purchase any stock, notes or bonds, or invest or deposit money in any way whatever in or to any corporation or partnership wherein any officer or director of such company is shareholder or has any financial interest whatever in such corporation or partnership.

Mr. Dunn, of Philadelphia, has introduced a bill to fix the liabilities of casualty insurance companies.

Mr. Hutt also introduced another bill concerning the stock feature of life insurance companies, in substance as follows:

That the assets of life insurance companies over and above the amount actually paid in capital stock are the accumulated premiums paid in by the policyholders and the incoming profit from the investment of the same. The bill provides that whenever it appears that the gross assets of any life insurance company shall exceed a sum equal to twice the par value of any capital stock outstanding the policyholders of said company shall have voice and vote at all elections and other meetings of said company the same as stockholders. Each policyholder shall be entitled to one vote for each amount theretofore paid in by him in premiums equal to the par value of one share of the capital stock of the company. The officers of the company are required to notify policyholders entitled to participate in future meetings and to send certificates to such policyholders showing the number of votes which each is entitled to under this act. Voting trusts or continuing proxies are forbidden for more than one meeting or election of said companies.

HARRISBURG, Pa., March 1.—Senator Scott today introduced a bill providing that all policies of life insurance shall be noncontestable from the date of the issue of such policies for any reason whatever excepting for non-payment of premiums as stip-

ulated in the policies or for fraud in the procurement of the insurance of such policies, and this notwithstanding any covenant or condition to the contrary contained in the policies.

Utah.

SALT LAKE CITY, February 25.—The following Senate bills have been introduced and referred:

No. 103, by Mr. Hollingsworth, relating to life insurance companies doing business in the State, prohibiting discrimination in favor of individuals. Judiciary.

No. 104, by Mr. Hollingsworth, requiring life insurance companies to make annual statements. Judiciary.

SALT LAKE CITY, March 1.—Senate Bill No. 32, by Mr. Callister, which has been referred to the Committee on Judiciary, provides that if the capital stock of any foreign corporation now doing business in this State is not fully paid up, or if the capital stock of any foreign corporation which hereafter attempts to do business in this State is not fully paid up, such foreign corporation shall file a bond with the Secretary of State in an amount equal to the unpaid capital stock of such foreign corporation, for the protection of resident creditors who shall hereafter establish a right to recover against any such foreign corporation in any of the established courts of this State.

Miscellany.

Opinion Upon the Constitutionality of the Arkansas Anti-Trust Law.

Messrs. Shearman & Sterling, of New York, the law firm of which ex-Assistant Attorney General Beck is a member, and which was retained by the agency fire insurance companies to consider the Arkansas anti-trust law and render an opinion as to its constitutionality, have submitted their conclusions. They express the belief that the Arkansas Supreme Court would, if an appeal was made to it by the companies, pronounce the law void. The following is the opinion in part:

The recent decision of the highest court of Arkansas in itself suffices to show that the law of 1905 is unconstitutional, in so far as it attempts to vest in the courts of Arkansas an extra-territorial jurisdiction to punish offenses committed elsewhere. That it has attempted to do so is plain, from even a cursory reading of the provisions of the act. Were this feature of the act a mere incident, and clearly separable from its other provisions, it is probable that the Supreme Court of Arkansas, when called upon to pass upon the validity of the act, would disregard this invalid portion and sustain the other portions free from such objection; but this is not the case. This attempt to assume an extra-territorial jurisdiction over crime is the main purpose of the bill. It is not a bill passed to regulate the conditions under which foreign corporations can do business within the State of Arkansas, nor is it a bill passed for the purpose of punishing acts done within the State of Arkansas, whether by individuals or corporations; but its obvious purpose is to draw within the police jurisdiction of Arkansas an infinite variety of business transactions outside of the State, and the slender thread with which the jurisdictional connection is sought to be made is that either the corporations or individuals shall be found within the State, and, in the case of corporations, that they transact some business therein, however innocent and inoffensive such business may be.

This assumption of extraterritorial jurisdiction is, however, not the only constitutional objection. Thus, the act provides that any corporation or persons "who are now or shall hereafter create, enter into or become a member of or a party to any pool," etc., "shall be deemed and adjudged guilty of a conspiracy to defraud, and be subject to the penalties as provided by this act." It is no answer to suggest that no Attorney General would be so wanting in common justice as to thus punish retrospectively acts which when done were innocent. The question of constitutionality must be construed with reference to the power to do, rather than the probability of the exercise of such power. Certainly, the Attorney General has no discretion in the matter, for the provision of Section 10, requiring him to enforce the provisions of the act and collect the penalties, is mandatory. If it be contended that such a construction of the act is so absurd and iniquitous that the court would not sustain it, as matter of construction, it is enough to say that the act cannot otherwise be construed, unless the words "who are now" are ignored; for the act provides with absolute clearness that corporations, or individuals, or partnerships, "who are now" members or parties to any pool, trust, etc., "shall be deemed guilty of a conspiracy." The question of criminality is fixed by the status of the corporation or person antecedent to the passage of the act.

Such an ex post facto law is unconstitutional under the provisions of the Federal Constitution and also under Article II, Section 7, of the Constitution of Arkansas, which provides:

"No ex post facto law, or law impairing the obligations of contracts, shall ever be passed."

Section 4 of the act forbids "sale, delivery or disposition, in the State of Arkansas, of any articles by any individual, company or corporation transacting business contrary to the provisions of this act"; and it therefore follows, if the law be valid, that all persons and corporations engaged in interstate commerce are forbidden to transport their merchandise or sell the same in the oiginal packages, in the State of Arkansas, if they are members of a combination entered into in any other State or country, whether the said combination has any referenec to the articles thus transported into Arkansas and there sought to be sold or not. This portion of the act is clearly invalid, as a direct infringement upon the powers of the Federal Government with respect to interstate commerce.

The act also provides that every incorporated company doing business within the State must make a report to the Secretary of State, stating whether it has violated any of the provisions of the law in question, and if the officers of the said corporation refuse to make oath in the manner required, the charter of the corporation, if a domestic one, shall be forfeited, and the privilege of a foreign corporation to do business within the State shall be likewise revoked. This is a violation of that clause of the Federal Constitution which provides that no man shall be obliged to incriminate himself; for, under the penalty of confiscation of corporate franchises, it seeks to compel the officers of the corporation to state under oath whether or not they have violated the criminal laws of Arkansas, or indeed of any other State or country; and the act fails to give them immunity or prosecution by reason of such proceedings.

Section 8 of the act provides that "in any criminal proceedings brought by the State of Arkansas against any corporation or individual to punish them for offenses created by the act, if the State desires to take the testimony of any officer or employee of the corporation, residing without the State, the Attorney General may certify to the court the names of such witnesses as he may desire to examine within the State, and if the said officers or employees shall fail to appear within the State and testify and produce any books, papers and documents, which they may be ordered to produce, then it will be the duty of the court, upon motion of the Attorney General or prosecuting attorney, to strike out the answer, motion, reply, demurrer or other pleading then or thereafter filed in said action or proceeding of the said corporation * * and said court shall proceed to render judgment by default against said corporation, joint stock association or copartnership." Six days' time is allowed the corporation for giving notice to the non-resident witnesses, no matter in what country they may at the time be located.

It will be noted that the mere failure to appear and testify deprives the party of this defense, even though the defaulting witness may not be a party to the action, but may be some irresponsible employee who refuses to attend, and even though the witness may have the most ample justification for his failure to appear, such as illness. The effect of this is to deprive the defendant of its property "without due process of law," in violation of the Constitution of Arkansas, as well as that of the United States. * *

We believe that this act falls within this class of wholly void statutes. To limit its application to foreign insurance corporations and to treat it as a mere licensing act for such corporations and to regard the other portions as unconstitutional would be to enact a mere incident of the law into a separate statute. We are, therefore, of opinion that when the Supreme Court of Arkansas shall have occasion to pass upon this statute it will treat it as an entirety, and, finding it unconstitutional in so many essential provisions, it will hold that its principal purpose was beyond the

legislative power of Arkansas, and that this purpose is so inseparably interwoven with its other provisions that the act, as an entirety, must be declared null and void.

Movement of Equitable Life Policyholders to Promote Mutualization.

The following circular addressed to holders of policies in the Equitable Life Assurance Society was made public on Monday:

The undersigned, at the request of many policyholders of the Equitable Life Assurance Society, have constituted themselves a policyholders' committee, having for its object to secure for the policyholders the right to vote for the trustees and so participate in the control and management of the society. The committee intends to take all needful steps to protect the interests of the policyholders. It is proposed to enlarge the committee. Policyholders are requested to send their names without delay to the secretary of the committee, Mr. E. J. Esselstyn, at the office of the committee, 15 Broad street, New York city, and to communicate this request to other policyholders:

John D. Crimmins.	E. W. Bloomingdale.
Henry Morgenthau.	Chas. Bulkley Hubbell.
E. H. Outerbridge.	John B. Stanchfield.
Edwin Warfield.	Robert S. MacArthur.

A meeting of the policyholders whose names are appended to the above notice was held at No. 15 Broad street on Thursday, and an organization was effected by the appointment of Mr. Crimmins as chairman and Mr. Outerbridge as secretary. The only definite step determined upon was to send to the Equitable Life a letter requesting that a list of the society's policyholders be furnished to the committee. Such a list would include 500,000 or 600,000 names. After the meeting the following formal statement was given out:

The committee met and organized by electing Mr. John D. Crimmins as the chairman of the committee and Mr. E. J. Esselstyn as the secretary, and then adjourned.

Plans for securing the right of voting for directors by the policyholders were discussed.

The committee decided that there should not be any expense of any kind assessed upon policyholders, and will personally assume to pay all expenses.

The members of the committee are much encouraged by the large number of policyholders who have already expressed their desire to join the movement for representation in the management of the company's affairs.

After the meeting the chairman, Mr. Crimmins, made the following statements:

I wish to emphatically deny that the policyholders' committee has been appointed at the suggestion of anyone within the society. Our committee is not organized to carry out any preconceived programme. We interpret the resolution of the board of directors as contemplating the mutualization of the society substantially and in good fath. We deplore the failure of this much to be desired result through the conflict of interests within the society, or through a fatal postponement of conclusive measures owing to an unnecessary protraction of the discussion or negotiation which now seem to be all that are going on within the society.

If there is anything in the management of the society or in the operation of the stock controlled which either in fact or in tendency is hurtful to the society and threatening to the interests of the policyholders, we propose to know it. If, to ascertain this, an investigation is necessary, we propose to ask for it. I may add that the course of the committee will be the best refutation of the suggestion, now rife, and from inspired sources, that this committee is organized in the interests of any faction. We desire to represent our policyholders. We will undertake no other allegiance. We are looking for the widest participation of the policyholders in the effort we have inaugurated, and are much encouraged at the beginning, for a flood of letters has been received today by every member of the committee with whom I have talked, promising us support for whatever protective plan we may adopt. There are five men with Equitable policies for at least $100,000 each already in co-operation with us.

We have not formulated our plans as yet, further than to send the letter to the Equitable asking for the list of policyholders and to ask our counsel to draw up a mutualization bill. Of that bill it may be said that we are not in favor of any partial mutualization or mutualization in which only those with policies above a certain amount may take part. It is as important to the man with a $1,000 policy to be able to vote for directors as for a man with a $10,000 or a $100,000 policy, and we therefore expect to have the support of all classes.

When the proposed legislation shall have been shaped we will endeavor to have policyholders of the Equitable throughout this State use their influence with their Senators and Assemblymen to secure its passage, and this influence should be potent. At present no assessment is asked from anyone who joins in our movement. That there will be certain expenses later on, when matters have reached the legislative stage, it is, of course, reasonable to suppose, but these would naturally be met willingly by those who are interested in securing the passage of a bill requiring all companies to mutualize.

At present I am chairman of the committee. It will be my desire, when the policyholders' body has become large enough, that it choose its own chairman. Of course, we are proceeding very slowly in this matter. Any movement affecting the interests of 600,000 persons, whose policies aggregate $1,500,000,000, and a corporation with assets of over $400,000,000 must be carefully and conservatively managed.

A suit has been begun by Herbert G. Tull, of New York, to restrain the directors of the society from buying the stock interest of Mr. Hyde. Mr. Tull makes a number of ex parte allegations. According to the statement of A. E. Woodruff, counsel for Mr. Tull, the real purpose of the action is to determine the actual value of Mr. Hyde's interest.

Boston Fire Premiums.

To our brief note of last week, regarding the Boston fire premium returns for the second half of 1904, we add the following list of companies that received $20,000 or more during that period, and also their receipts for the corresponding part of 1903:

Companies.	Second Half of 1904.	Second Half of 1903.
Liverpool and London and Globe	$71,028	$74,310
Royal	64,116	65,921
Home	57,180	51,302
Niagara Fire	38,958	37,622
Ætna	36,359	34,283
German-American	34,740	36,130
Palatine	33,415	33,225
Sun, London	32,104	34,107
Fire Association	31,398	35,836
Hartford Fire	30,420	31,616
Phenix, Brooklyn	29,077	28,169
Continental	28,774	28,043
North British and Mercantile	27,695	27,260
Commercial Union	27,369	27,152
Boston	25,027	22,376
Phœnix, Hartford	25,430	23,994
Ins. Co. of No. America	24,751	28,118
American Central	24,184	19,954
Connecticut	23,375	23,300
Springfield	23,368	23,244
London and Lancashire	21,948	27,240
Scottish Union and National	21,608	23,270
Queen	21,412	16,839
Northern London	20,387	22,814
Providence-Washington	20,232	21,136

The leading agencies and amounts were as follows: John C. Paige & Co., $129,474; Field & Cowles, $119,674; G. O. Carpenter & Son, $95,191; Rice & Whitney, $87,394; Guild & Eastman, $71,027.

The "Little Rock Gazette" on the Hot Springs Fire and the Arkansas Anti-Trust Law.

(The Little Rock Gazette of Tuesday.)

On Saturday, February 25, 1905, George R. Belding, mayor of Hot Springs, stood amid the ruins of the southern part of that city. He looked around him and saw acres of black and smoking débris where a few hours before had been stores, hotels, churches, public buildings and residences. He saw great clouds of black smoke and great heaps of hot ashes—all that remained of property worth more than $1,000,000. He saw hundreds of men amid the at least temporary wreck of their fortunes. He saw thousands of men, women and children left without a home,

without a place to lay their heads—simply thrown upon the charity of their more fortunate neighbors.

All this and more George R. Belding saw. And George R. Belding said, as he looked on the awful picture of ruin:

I shudder to think what the conflagration would have meant to Hot Springs had it happened a little later, when the merchants and residents of the city would have been unable to secure fire insurance. It should come as a lesson, and I believe will act in the speedy repeal of the King anti-trust law.

But on Wednesday, January 11, 1905—less than two months ago—Jefferson Davis, Governor of Arkansas, read to the Thirty-fifth General Assembly of this State his biennial message. In that message he said:

I am no believer in fire insurance at the best. I believe that every old line company that is in Arkansas today is in a trust and would be stamped out of existence if the King anti-trust bill were to pass, which I sincerely trust it will, unless they quit their trust relations.

The *Gazette* also believes that every old line insurance company that is in Arkansas today is in a trust. That is, we believe that all the companies are members of rating bureaus in the various cities of the United States and Europe, where they do business, though the companies deny that they are in such rating bureaus in Arkansas. But Governor Davis is not content for the insurance companies to dissolve their rating bureaus in Arkansas. If two British insurance companies are in a rating bureau to fix rates in London Governor Davis would prevent these two companies from doing business in Arkansas. This is what Governor Davis means by the insurance companies' "trust relations." Unless they dissolve their rating bureaus all over the world—which of course, they are not going to do—he will "stamp them out of existence" by means of the King law.

Now, George R. Belding, mayor of Hot Springs, and Jeff Davis, Governor of Arkansas, are political bedfellows. We wonder how Governor Davis relishes Mayor Belding's remark that he "shudders to think what the conflagration would have meant to Hot Springs had it happened a little later, when the merchants and residents of the city would have been unable to secure fire insurance."

So far as Governor Davis is concerned, if we may judge from his public utterances, he shudders because the insurance companies have not been "stamped out of existence"; he shudders because the King law was not passed two years before the Hot Springs fire occurred.

IF WE HAD DRIVEN OUT THE INSURANCE COMPANIES BEFORE THE HOT SPRINGS FIRE.

The object of the King anti-trust law is to drive from the State of Arkansas all the old line fire insurance companies if those companies are in rating bureaus anywhere in the world.

Practically all these companies are in rating bureaus somewhere—many wheres—in the world.

None of these companies is going to withdraw from rating bureaus everywhere in order that it may do business in Arkansas.

Therefore, if the King law does what it was intended to do it will drive from Arkansas practically all the old line fire insurance companies.

Governor Davis tried to have the King law passed by the Legislature of two years ago, and because that Legislature did not pass this law he denounced its members for nine long months from end of this State to the other.

Suppose the last Legislature had passed the King law, suppose that statute had stood the test of the courts and every old line fire insurance company had been driven from Arkansas.

Then on February 25 the great Hot Springs fire comes. The losses are $1,500,000 and the insurance $600,000.

If all the old line insurance companies had been driven from Arkansas and had been prevented from even doing business in this State, who would now pay this $600,000 of insurance that, thank Heaven! is held by the unfortunate people who were burned out at Hot Springs last Saturday?

It is true that we have local insurance companies, and the *Gazette* wishes them all success. We do not denounce them as Governor Davis did in his last message to the Legislature. But let us ask in fairness, could all the local insurance companies that are in Arkansas pay the $600,000 losses that the old line companies will now have to pay in Hot Springs? And then, suppose after our local insurance companies had been called on to pay $600,000 of losses at Hot Springs, Little Rock should be swept by a conflagration and these companies be called on to pay $1,000,000 or more in losses in this city.

TO GOV. JEFF DAVIS:

For four years you have fought for an anti-trust law that will make it impossible for an insurance company to do business in Arkansas if it is a member of a rating bureau anywhere in the world.

Your long fight ended in the recent passage of the King bill. This law will go into effect on March 23, and unless the insurance companies beat it in the courts they must all withdraw from Arkansas.

You have bought a home at the corner of Fifteenth and Broadway, in the city of Little Rock.

Now, let us ask you, Governor Davis, is not this home of yours insured in old line insurance companies?

Let us ask your further, Governor Davis, have you not recently, following the passage of the King bill, had the insurance policies on your home renewed for three years in old line insurance companies?

If the old line insurance companies shall be driven from Arkansas by the King law will you yourself not be protected by policies you hold in these old line companies so long as your present policies shall remain in force?

Saved by the Scissors.

"LET 'EM RUSTLE."

I.

"Many men of many minds," some poet tells us,
"Walk the surface of this funny little sphere."
"Many 'birds' of many kinds," is the consensus
Of experience I've gathered in a year.
But of all the men I've met worth analyzing,
There's a "bird" whose imbecility excels;
It's a man you'll never fail in recognizing
By his manner—and his grammar—when he tells
How he worked his way up hill,
And he vows his children will
Have to rustle!

II.

I have talked to him with eloquence surpassing;
I've convinced him—if he'd only sense to see.
I've suggested, with pathetic stress distressing,
What the future of his widow's mite might be.
Then I've felt the glow of modest approbation
Of the picture, magic, graphic, I have drawn;
And I've bet my head I'd take his application
In a minute—when he'd lift his head and yawn,
"Oh, I guess she'll never be
Poorer'n when she tied to me,
Let her rustle!"

III.

I can smile at silly queries customary,
Such as "Ain't the comp'ny liable to bust?"
I can smash, with patience, fallacies contrary,
I can show how soon we mortals come to dust.
Nearly every little pesky tribulation
Seems but "sadness that is not akin to pain,"
When I hear, with helpless, holy indignation,
Some big hulk of selfish ignorance explain:
"Children want too much these days;
Mine'll find that workin' pays.
Let 'em rustle!"

—*E. A. Bingham, in The Statement.*

CAPITAL.

The capital of salaried, professional and workingmen is their ability to labor. That is the source of their sustenance, and that of their dependents. The peculiarity of this kind of capital is, that with the death of the possessor it vanishes—he cannot transmit it to his dependents. How, then, can such persons create a capital for the protection of their dependents which can be transmitted to them at death? By the aid of life assurance. If, therefore, you have assurance on your life, maintain it, and add to it if you can afford to do so.—*Business, Manchester.*

THE MAN WHOSE WIFE HAS AN INDEPENDENT INCOME, TERMINATING AT HER DEATH.

A fortunate circumstance, no doubt, for the lady and, indirectly, for her husband. But does it absolve him from the need of life assurance? Assuming the survival of the wife till the husband's death, she may, if the amount is adequate, maintain herself by her

(Continued on page 215.)

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of January, 1905:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$248,462	$167,799	$416,261
Connecticut General Life	15,500	11,450	26,950
Connecticut Mutual Life	339,437	21,628	361,065
Equitable Life, Des Moines	.....	.....	.....
Equitable Life, New York	956,454	177,744	1,134,198
Germania Life	39,405	31,108	70,513
Home Life	45,820	27,807	73,627
*John Hancock Mutual Life	347,609	15,461	363,070
Manhattan Life	39,009	11,837	50,846
Maryland Life	22,106	.....	22,106
Massachusetts Mutual Life	192,821	28,643	221 464
*Metropolitan Life	1,314,402	8,100	1,322,502
Michigan Mutual Life	52 763	13,806	66,569
Mutual Benefit Life	402,841	130,426	533,267
Mutual Life, New York	1,473.147	316,582	1,789,729
National Life U. S. A	25,921	.....	25,921
National Life, Vermont	81,677	77,000	158.677
Nederlands (U. S. Branch)	25,412	1,000	26,412
New York Life	1,515,080	356,315	1,871,395
Northwestern Mutual Life	722.145	106,933	829,078
Pacific Mutual Life	33,786	.....	33.786
Penn Mutual Life	447,652	149,210	596.862
Phœnix Mutual Life	57,798	6,906	64,704
Provident Life and Trust	.....	.....	.....
Provident Savings Life, New York	23,500	.....	23,500
†Prudential	997,730	3.743	1,001,473
State Mutual Life	51,000	75,500	126,500
Travelers	89,391	54,715	144,106
Union Central Life	90 332	21,383	111,715
Union Mutual Life	82,864	2,517	85.381
United States Life	31,463	4,138	35,601
Washington Life	67,887	34,517	102,404
Totals	$9,833,414	$1,856,268	$11,689,682

* Partially industrial insurance. † Report includes both industrial and ordinary business.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to January 31, 1905, inclusive, by the life insurance companies whose monthly reports are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$62,921,716	$28,847,562	$91,769,278
1865	Connecticut General Life	3.417 101	1,172.885	4.589.986
1846	Connecticut Mutual Life	123,664,903	11.425,404	140,090,307
1867	Equitable Life, Des Moines	1,183,868	283,889	1,467.757
1859	Equitable Life, New York	251,570,012	30.335,238	281.905.250
1860	Germania Life	29.389,170	10 881,641	40,270,811
1860	Home Life	14.506,474	3,636,696	18,143,170
1862	*John Hancock Mutual Life	35 039,110	2,121,537	37,160,647
1850	Manhattan Life	33.306,778	5.670,652	38,977.430
1864	Maryland Life	2,893 001	234,104	3,127,105
1851	Massachusetts Mutual Life	27,378 691	4,517,192	31,895.883
1867	*Metropolitan Life	136,442,888	819,882	137.262,770
1867	Michigan Mutual Life	6,402,374	3,068 182	9,470,556
1845	Mutual Benefit Life	109.688,092	12,647 453	122,335,545
1843	Mutual Life, New York	311,918,323	68,372 454	380,290,777
1868	National Life U. S. A	7,463,971	351.439	7,815 410
1850	National Life, Vermont	14,024,831	2,283,795	16,308,626
1893	Nederlands Life (U. S. Branch)	1 341,184	1,000	1,342,184
1845	New York Life	218.189,828	49.004,345	267,194.173
1857	Northwestern Mutual Life	79,254,661	20,296,056	99,550,717
1868	Pacific Mutual Life	6,137,931	1,243,336	7,381,267
1847	Penn Mutual Life	38,872,616	7,743,088	46.615,704
1851	Phœnix Mutual Life	25,476.445	4,934,557	30.411.002
1865	Provident Life and Trust	20 739,055	13,822,510	34,561.565
1875	Provident Savings Life, N. Y	19,351,762	11 955	19,363 717
1876	†Prudential	84 357,765	186,337	84,544,102
1845	State Mutual Life	12,906 338	2,700,323	15,606.661
1866	Travelers	17,275.610	3,936,576	21,212,186
1867	Union Central Life	14.114,896	3.696,072	17,810,968
1849	Union Mutual Life	18.377,760	6,020 244	24 398.004
1850	United States Life	16,712 616	2,380.596	19.093,212
1860	Washington Life	20,904,315	8,957,736	29,862,051
	Totals	$1,765,224,085	$316,604,736	$2,081,828,821

* Partially industrial business. † Report includes both industrial and ordinary business.

New York City Fire Insurance Premiums.

The following comparison table shows the receipts of fire insurance companies in the city of New York (Manhattan and Bronx boroughs) in the six months ending December 31, 1904, compared with the six months ending December 31, 1903, according to the Fire Patrol returns.

COMPANIES.	Six Months Ending Dec. 31, 1904.	Six Months Ending Dec. 31, 1903.
N. Y. Companies.		
Assur. Co. of Am.	$22,039	$37,660
British-American	16,523	12,520
Colonial	20,664	19,757
Com. Union Fire.	12,491	15,212
Commonwealth.	25,918	21,683
Continental	186,014	180,696
Empire City	20,735	18,156
German Alliance.	33,789	28,245
German-Amer.	358,716	302,711
Germania	112,896	94,205
Globe & Rutgers.	107,127	66,696
Hamilton	10,205	25,091
Hanover	247,026	227,201
Home	309.552	333,899
Indemnity	3,887	4.663
Nassau	28,043	22,483
New York Fire	24,163	20,942
Niagara	93,280	72,780
North German	14,374	11,094
N. British & Merc.	20,450	12,428
North River	76,204	71,721
Northern	38,763	42.607
Pacific	15,358	20,978
Pelican	19,323	14,022
Peter Cooper	20,112	14,320
Phenix	99,953	88,153
Queen	41.212	38.049
Stuyvesant	20,166	26.64[illegible]
United States	30,842	20.390
Victoria	9,629	12,840
Westchester	63,754	68 838
Wil'amsb'gh City	55,149	68.149
Lloyds.		
Allied	1,009	5.651
American	12,038	12.261
Associated	1,122	6.549
Assurance	905	2,755
Garfield	614	.....
Great Western	5.948	5,221
Individual	28.739	32,152
Isthmus	22	770
Lumber	234	286
Manufacturers	1,372	1,492
Merchants	1,810	1,062
National	1,726	1,363
N. Y Association	707	533
N. Y. & Boston L.	3,432	4,872
New York Fire	22	706
N Y. Reciprocal	32,108	31,670
North American.	8,674	10,291
N. Y. State Co's.		
Agricultural	41,256	52,119
Albany	8,950	7,719
Buffalo Com'rcial	9,666	4,283
Buffalo German.	16,477	4,587
Commerce	7,342	6,840
Dutchess	11,331	10,580
G ens Falls	12,510	9,024
Rochester Ger.	10,028	7,403
Union, Buffalo	4,666	.....
Other State Co's.		
Atlanta, Birm.	24.934	.....
F'men's F., San F.	36.795	39,316
Home. San Fran.	11,471	10,671
Ætna, Hart'd, Ct.	115.654	109.517
Connecticut	32,037	31,529
Hartford	133,803	134,520
National, Conn	91,108	90,524
Orient	28,727	23,313
Phœnix, Conn.	71,872	53,950
Security	23,074	21,046
Colonial. D. C.	7,316	6.793
Georgia Home.	26 639	23,651
German, Freeport	32,899	31,824
German, Peoria.	6.525	5.209
Ger. N't., Chicago	7,382	6 675
Traders, Chicago.	17,280	21,426
Indianapolis.	11,286	7,313
Star, Ky.	14.258	.....
Mec & T., N. O.	10,101	9,208
Teutonia, New O.	11.094	11,143
Ger.-Am., Balt.	8,605	7,942
Security. Balt.	8,168	8,014

COMPANIES.	Six Months Ending Dec. 31, 1904.	Six Months Ending Dec. 31, 1903.
Other State Co's. (Continued.)		
American, Bost'n	$12,812	$13,345
Boston	44,760	32,702
Merc'tile, Boston.	12,099	13,106
Springfi'd F. & M.	47,803	50.441
Detroit	12,458	11,296
Michigan	13,713	8.874
St. Paul F. & M.	31,946	30,864
Amer. Central.	38,842	35,122
Citizens, St. Louis	29,553	20,852
Capital, Concord.	14,610	9,888
Granite State	4,362	3.795
New Hampshire.	32,984	27,085
Amer'n, Newark.	36,442	27,032
Camden	14,982	12,741
Eastern, Atlan C	1,367	.....
F'men's, Newark.	53,697	47,210
Newark	10,271	10,590
Allemannia	15,250	18,279
American, Phila.	24,013	20,612
Delaware, Phila.	20.417	21,351
Farmers, York	6,807	6,379
Fire Association.	79,212	67,273
Fire In. Co., Phil.	11.564	11,303
Franklin Phila.	9,949	9,368
German, Pittsb.	11.277	9,398
Girard, Phila.	16.480	9.349
Ins. Co. of N. Am.	70,737	69,501
In. Co. St of Pa.	8.619	5,677
Lumbermen s	9,758	10.049
Mechanics', Phil.	12,623	12,049
National. Allegh.	4,837	1,195
Nat. Un. Pittsb.	25,117	15,727
Pennsylvania	52,401	59,752
Reliance, Phila.	16.156	16,714
Spring Garden	37,133	32,426
Union, Phila.	11.477	12,799
United Firemen's	13,296	14.252
Western, Pittsb.	10,402	8,631
Equitable, Prov.	18,077	18,994
P ov.-Wash.	34,184	32,091
Virginia F. & M.	18.486	15,661
Virginia State.	13,429	7,104
Concordia.	17,980	18 484
Milwaukee Fire.	6.636	4,654
Milwaukee Mech.	13,[illegible]94	8,143
NorthwesternNat	8,815	9,765
Foreign Co's.		
British America.	49,812	45,807
Western, Toronto	67,029	65,073
Aachen & Munich	25,797	23,481
H'mburg-Brem'n	93.347	88.384
Prussian Nat'l.	15,838	13 605
Trans-Atlantic.	16,170	6,188
Alliance	21,784	19,629
Atlas, London	21,729	37,852
Caledonian	53,816	49.576
Commerc'l Union	120,467	86 142
Law Union & Cr'n	20,638	31,006
Liv. Lon. & Globe	333.122	278.797
Lon. Assurance.	63.004	42,752
Lon & Lancashire	105,480	74,409
N. British & Mer.	186.464	182.773
Northern, Lond'n	66,681	63,003
Norwich Union.	48.939	50,500
Palatine	42 963	30,237
Phœnix, London	116,310	110 965
Royal	157,202	181,980
Royal Exchange	106,170	39,549
Scot. Un'n & Nat.	94 438	116,009
Sun, London	93,648	75,000
Union, London	61,650	73.075
Netherlands	9.281	11,621
Svea, Gothenburg	11,866	11.216
Salamandra	8,529	19,542
Companies retir'd since December 31, 1903	.....	238,529
Totals	$6,185,917	$5,856,985
Brooklyn Borough total	$1,506,797	$1,408,629

Fire Insurance Business in Michigan in 1904.

(From a Preliminary Report by the Insurance Commissioner.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Michigan Companies.			
Detroit Fire and Marine, Detroit	$10,304,181	$101,513	$63,192
Michigan Fire and Marine, Detroit	9,027,843	90,388	44,554
Total	$19,332,024	$191,901	$107,746
Companies of Other States.			
Ætna, Hartford	$7,179,752	$110,509	$43,681
Agricultural, Watertown	3,375,200	41,882	16,815
Allemannia, Pittsburgh	1,670,368	23,305	9,547
American, Boston	1,744,100	22,428	8,374
American, Newark	7,345,111	95,390	43,081
American Central, St. Louis	3,946,515	56,320	28,624
American Fire, Philadelphia	5,122,475	57,533	24,130
American Lloyds, New York	177,250	1,512	.....
Anchor, Cincinnati	1,631,186	38,646	33,125
Assurance Co. of America, N. Y.	830,235	10,514	9,732
Atlanta-Birmingham, Atlanta	276,500	5,176	1,361
British American, New York	201,810	3,290	2,476
Buffalo Commercial, Buffalo	1,043,973	11,535	6,469
Buffalo German, Buffalo	2,108 348	23,089	14,901
Caledonian American, New York	110,330	1,697	208
Camden Fire, Camden, N. J	506,087	4,729	3,290
Citizens, St. Louis	3 384,603	68,035	39 625
Commerce, Albany	511,513	6,793	3,716
Commercial Union Fire, New York	955,416	15,563	6 561
Commonwealth, New York	730.579	6,904	2,369
Colonial, New York	795,229	3.290	6,297
Concordia Fire, Milwaukee	6,510,602	95,946	37.118
Connecticut Fire, Hartford	6,881,206	123,270	62,857
Continental, New York	12.085,202	173.572	83,788
Cooper, Dayton, Ohio	2,617 715	30,995	10.135
Delaware, Philadelphia	2,279,785	26,678	10,778
Dutchess, Poughkeepsie	613,978	.....	3,733
Eastern Fire, Atlantic City, N. J	55,009	.....	.....
Equitable Fire & Marine, Providence	3,259,987	62,913	34,286
Eureka Fire and Marine, Cincinnati	1,367,742	15,297	6.340
Farmers and Merchants, Lincoln	564.570	6,207	3,594
Federal, Jersey City	769,725	10,699	787
Fireman's Fund, San Francisco	6,572,3 3	99,756	60,616
Firemen's, Newark	2,2 1 963	24,421	9,102
Fire Association, Philadelphia	7,330 434	122,018	53,458
Fire Ins. Co. County Philadelphia	647,910	7,575	1,738
Franklin Fire, Philadelphia	2,583,871	41.545	23.707
German, Freeport, Ill	8,141,003	99,260	49,297
German Fire Indianapolis	369,489	6,013	3,283
German Alliance, New York	1,512,828	24,808	9,582
German-American, New York	7,999,471	111,111	53,524
German Fire, Pittsburgh	1,978 531	29,761	12,311
German Fire, Peoria	1,631.451	25,012	4,982
German National, Chicago	2,349,690	34 570	18,594
Germania Fire, New York	9 282.635	120,712	31,969
Girard Fire and Marine, Philadelphia	1,492,472	17,631	7,168
Glens Falls, Glens Falls	5,927.168	63 944	24,179
Globe and Rutgers Fire, New York	1,703,783	38,267	26,472
Granite State, Portsmouth	2.011 308	26,784	11,194
Hanover Fire, New York	5 836,737	95.039	44,342
Hartford Fire, Hartford	20.129,531	308 073	160.764
Home, New York	25.483.430	228,420	86,327
Home Fire and Marine, San Francisco	2,749,360	39,498	20.266
Indemnity Fire, New York	397.775	6,264	3.561
Indianapolis Fire, Indianapolis	1,585 188	24.297	5,370
Insurance Company of North America	9,062,420	159.311	65,436
Jefferson Fire, Philadelphia	291,000	4,278	1,280
Liverpool and London and Globe, N. Y.	2,483 650	33,581	10.578
Lumbermen's, Philadelphia	1,667,969	26,281	9,061
Mechanics, Philadelphia	2,101,3 6	29,467	8,195
Mechanics and Traders, New Orleans	397,795	.....	169
Mercantile Fire and Marine, Boston	662,626	19.043	5,752
Metropolitan Fire, Chicago	186 581	5.054	976
Milwaukee Fire, Milwaukee	1,249.895	15,123	4,167
Milwaukee Mechanics, Milwaukee	3,795.649	57,171	18.897
Nassau Fire, Brooklyn	1,111,987	15,394	2,250
National Fire, Hartford	19,235.290	242.927	68,037
National, Allegheny, Pa	541,208	8.957	3.643
National Union Fire, Pittsburgh	2,308,906	33,511	15,602
Newark Fire, Newark	577,225	7.645	1.994
New Hampshire Fire, Manchester	2,811,797	30.332	14,619
New York Fire, New York	1,211,484	16.011	5,023
Niagara Fire, New York	5,9 7,153	105.143	54,645
North British and Mercantile, N. Y	459,527	3,193	.....
North German Fire, New York	1,140,265	22.216	7,519
Northern, New York	254 735	2,747	49
Northwestern National, Milwaukee	5,697 754	55.549	16,211
North River, New York	3,006,576	44 023	4,865
Orient, Hartford	2,712 849	43,373	21,989
Pelican, New York	283,950	4,230	4,375
Pennsylvania Fire, Philadelphia	5.041,047	71,199	25.877
Phenix, Brooklyn	9,040,850	130,608	61,262
Phœnix, Hartford	9,195.395	119,365	44,149
Pittsburgh Fire, Pittsburgh	657,008	4,637	1,360
Providence-Washington, Providence	5.136.097	72,139	29,859
Queen, New York	6,702,152	118,472	49,380
Reliance, Philadelphia	$2,428 652	$27,558	$14.752
Rochester German, New York	2 612.938	34.592	15,806
Security, New Haven	4.213.260	48,828	14,947
Security, Cincinnati	1,367,742	15,297	6,340
Security Fire, Baltimore	895,645	8.331	1,334
Springfield F and M., Springfield	6,946.401	103,620	50,868
Spring Garden, Philadelphia	1 865.099	32.059	10 627
St. Paul Fire and Marine, St. Paul	3,707,113	53,228	23.456
Star Fire, Louisville	340,240	5.547	3,019
Teutonia, New Orleans	950,265	13.769	4,844
Teutonia Fire and Marine, Dayton	626,533	7, 56	2.324
Traders, Chicago	3,427,247	57 199	29,934
Union, Philadelphia	1,289,958	14.132	8.748
Union Fire, Buffalo	281,719	3,218	1.652
United Firemen's, Philadelphia	874,310	14,998	14,741
United States Fire, New York	827,718	10.761	3,707
Victoria Fire, New York	121,163	.....	330
Western, Pittsburgh	1.964,672	21.998	7,667
Westchester Fire, New York	5.2 9,481	84,716	36.578
Williamsburgh City Fire, Brooklyn	2,886,766	33,002	10,720
Totals	$348,571,980	$4,839,472	$1,099,309
Mutual Companies.			
Central Manufacturers., Van Wert, O.	$104.724	$6.007	$972
Farmers Fire, York, Pa	917,841	14.993	8,799
Keystone Mutual, Philadelphia	465 264	879	1,324
Lumbermen s Mutual, Mansfield	98,834	2.976	164
Manton Mutual, Philadelphia	347,160	559	847
Michigan Millers Mutual, Lansing	1,173,125	42,211	34.973
Millers' National, Chicago	1,3 6,991	40,983	24,995
Mill Owners' Mutual Fire, Chicago	434.890	879	1,136
Narragansett Mutual Fire, Providence	369 564	1.011	768
Protection Mutual Fire, Chicago	651,932	1,279	1,323
Totals	$6,170,325	$111,777	$75,201
Companies of Foreign Countries.			
Aachen and Munich, Aix-la-Chapelle	$2,377,449	$39,059	$22 490
Atlas, London	2,900,525	36 119	7.332
British America, Toronto	2,991,680	52,491	33 791
Caledonian, Edinburgh	2,428,355	35 229	21,030
Cologne, Cologne	578,308	.....	4,529
Commercial Union, London	6,742,273	106,738	59,532
Hamburg-Bremen, Hamburg	4,523.531	81,097	33,992
Law Union and Crown, London	340.856	4,986	377
Liverpool and London and Globe, Liv.	12,458.972	190,433	84,725
London Assurance Corporation	3.575,005	58 597	24,361
London and Lancashire, Liverpool	4,409,005	57,116	23.776
Moscow Fire, Moscow	1,940,998	.....	8,808
National, Dublin	1,017,088	20,315	16,615
North British and Mercantile	7,911 041	134 155	61.975
Northern, London	6,765.549	115,548	60.988
Norwich Union, Norwich	4,471.670	75,139	21.122
Palatine, London	3,482 617	54,278	22 979
Phœnix, London	4,447,813	76 357	74.957
Prussian National, Stettin	4,477.005	59.931	21.928
Royal, Liverpool	10,162,222	165,418	67.550
Royal Exchange, London	2,857.661	38,035	4,553
Rossia, St. Petersburg	1.720,226	26,575	1,134
Salamandra, St. Petersburg	1,582.556	.....	14,428
Scottish Union and National, Edin	3,287,001	71,646	21.334
Skandia, Stockholm	1,432,440	.....	9,870
State Fire, Liverpool	259,194	4 029	339
Sun, London	5 372,491	54,773	25,185
Union, London	1,064.713	17,206	1,284
Western, Toronto	3,325,393	56.672	28,087
Totals	$108,903,639	$1,631,949	782,072
Grand Totals, 1904	$182,977,968	$6,774,092	$3,064,328
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$147,468,156	$6,467,705	$3,065,767
1902	436,267.257	6,321,152	2,815,474
1901	427,572 100	5,367,430	3,159,304
1900	406,175,621	4,979,181	3,102,701
1899	382,540,160	4,602,684	2,473,065
1898	330,603,384	4,498,445	2,467.549
1897	298 937,213	4,298,618	2,077.976
1896	2-4 158,820	4,262,872	2,895.709
1895	289,059,338	4,351.167	2,089.359
1894	283 738 378	4,302,988	2,422.483
1893	301,887,793	4 470 490	2,571,734
1892	298,767,231	4,275,173	2,231,883
1891	279,473,169	3.999,826	2,478 920
1890	264,732,845	3,762,845	2,186.201
1880 to 1889	2,154,000,301	30,607,774	16,315,138

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 53.7. The percentage in 1904 was 45.9.

Fire Insurance Business in Vermont in 1904.

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$2,638 207	$38,683	$23,224
American Fire, Philadelphia	283,580	4,758	997
Boston, Boston	922.857	19,172	8.299
Capital, Concord	572,132	8,932	4,718
Connecticut, Hartford	1,3 0,500	18,767	8,558
Continental, New York	1,935,082	31,167	17.679
Fire Association, Philadelphia	651,975	11.367	3,915
Fireman's Fund, San Francisco	783.754	9,485	4,859
Germania Fire, New York	214,831	3,598	316
Granite State Fire, Portsmouth	712,193	8,170	5,143
Greenwich, New York	41,838	474	2,379
Hartford Fire, Hartford	2,660,195	39,935	20,280
Home, New York	4,782,631	49,623	23,496
Insurance Company of North America	2 473,236	40,336	25,931
National Fire, Hartford	1,595 223	19,244	7.317
New Hampshire Fire, Manchester	1,181,348	15,066	1.600
Niagara Fire, New York	649.715	11,624	2,807
Orient, Hartford	838 615	13 093	7,649
Pennsylvania Fire, Philadelphia	623,783	12,582	4.817
Phenix, New York	876.613	12,375	1,873
Phœnix, Hartford	1,984,134	29,208	12,714
Springfield Fire and Marine	1,606,638	21,546	14,402
Traders, Chicago	554,239	9,589	3,242
United Firemen's, Philadelphia	238.029	3,573	1,623
United States Fire, New York	99,330	1,181	2,917
Westchester Fire, New York	300,095	4,775	896
Williamsburgh City, New York	649,684	9,617	2.630
Totals	$31,170,517	$447,956	$214,278
Mutual Companies.			
Berkshire, Pittsfield	$290,579	$5,751	$3,658
Cambridge, Cambridge	518.625	9,196	2,224
Fitchburg, Fitchburg	747,654	11,475	2,418
Lumber, New York	230.150	9,203	6,675
Merchants and Farmers, Worcester	3 4.418	5,192	88
Merrimack, Lowell	382.878	6,425	4,403
Mutual Protection	153,810	3,986	1,457
Providence, Providence	241,545	3,102	2,104
Quincy, Quincy	283,548	5,096	2,561
State, Rutland	770.735	12,648	9.977
Traders and Mechanics, Lowell	446.695	7,779	1.000
Union, Montpelier	6,194,922	108,563	83.073
Vermont, Montpelier	21,295,528	328,168	268,131
Totals	$31,811,082	$516,585	$387,710
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle	$182,018	$3,050	$1,846
Atlas, London	398,935	5,743	45
British America, Toronto	371,368	6,760	3,213
Commercial Union, London	1,236,703	20,515	6,305
Law Union and Crown, London	93.865	990	85
Liverpool and London and Globe	2,431,113	28,940	10,597
London Assurance	287,171	5,491	2,778
Manchester Fire, Manchester	395.640	7,565	2,483
National, Dublin	350.214	6,000	2,323
North British and Mercantile	929 930	12,452	5.910
Northern, London	779,762	10,776	17,252
Norwich Union, Norwich	603,129	8,316	1,991
Palatine, London	210 865	3,178	2.222
Phœnix, London	591,684	11,412	9 086
Royal, Liverpool	647,082	9,520	2,426
State, Liverpool	48.720	438	.....
Sun, London	706 271	12,004	7,419
Union, London	330 886	3,389	197
Western, Toronto	982,725	10.802	5,465
Totals	$11,568 081	$167,342	$81,643
Grand totals, 1904	$74,549,680	$1,131,883	$683,691
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$72,414,051	$1,127 053	$796,412
1902	62,786,461	1,015,531	479.793
1901	63,423 034	914,072	475.870
1900	62,897,520	849,726	526.969
1899	57,741,791	840,848	631,529
1898	53 944,189	793,089	428 978
1897	52 334,748	788,289	322 126
1896	52,017,029	789,021	334 403
1895	53 872,770	770,294	826,233
1894	50 045,077	763,143	585,631
1893	49 608,005	764,658	527,805
1892	38 075,260	532,101	416.498
1891	36,938,277	474,537	522,330
1880 to 1890	294,378,766	3,924,637	2,543,077

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 64.9. The percentage in 1904 was 60.4.

We are indebted to the *Standard* for the 1904 figures, from which the business of that year has been compiled.

Fire Insurance Business in Ohio in 1904.

(From a Preliminary Report by the Insurance Superintendent.)

COMPANIES.	Risks Written.	Net Premiums Received.	Net Losses Paid.
Stock Companies of Ohio.			
Anchor, Cincinnati	$6.513.038	$117,562	$60,163
Columbia, Dayton	10,498,100	169 699	38,508
Cooper, Dayton	9,887.732	94,895	33,450
Eureka Fire and Marine, Cincinnati	6,080,552	70,483	19,443
Merchants and Manuf'rers, Cincinnati	4,608 086	53.332	45,487
National, Cincinnati	5,137,468	56.067	40,750
Security, Cincinnati	5,089,150	60.001	19.830
Teutonia Fire and Marine, Dayton	6,434.476	68,110	21,277
Toledo Fire and Marine, Toledo	351,963	7,207	5,345
Western Reserve, Cleveland	1,828,979	21,559	7,540
Totals	$56,429,544	$658,914	$291,792
Stock Companies of Other States.			
Ætna, Hartford	$17,112,862	$226,317	$112,801
Agricultural, Watertown	6 594,000	72,982	27,250
American, Boston	1.952 373	24,503	16.708
American, Newark	5,394.620	67,063	33,117
American Fire, Philadelphia	9,125,721	97.587	45,625
American Central, St. Louis	4,063,974	57,199	24,678
Assurance Co. of America, New York	2,955.351	31,458	25,883
Buffalo Commercial, Buffalo	1,883,675	23.825	11,864
Buffalo German, Buffalo	3,951,922	48.038	22,280
Camden, Camden, N. J	477,555	5.687	341
Citizens, St. Louis	5,969,880	88,316	38,903
Colonial, New York	2,695 597	42.859	24,749
Commerce, Albany	1,669 488	19.668	16 636
Commercial Union Fire, New York	1,421 957	16,596	6,799
Commonwealth, New York	2 864,924	28.553	25,028
Concordia, Wisconsin	6.590,158	93,176	37.664
Connecticut Fire, Hartford	16,390,866	188,979	87,032
Continental, New York	18,524.661	250,492	118,292
Delaware, Philadelphia	4,182 340	44.470	26,394
Detroit Fire and Marine, Detroit	2,183,510	23 602	18,460
Dutchess, Poughkeepsie	1,483,924	16,545	8,843
Eastern, Atlantic City	1.277 292	15,171	6,036
Equitable Fire and Marine, Prov	4 121,039	46,789	23.360
Farmers and Merchants, Lincoln	2.925 090	41,651	21.977
Federal, Jersey City	2.264.082	24.202	13.258
Fire Association, Philadelphia	16.155 680	230,175	121,434
Fire Ins. Co. of Co. of Philadelphia	2,374 967	28,448	10.400
Firemen's, Newark	6,721,143	74,811	30 271
Fireman's Fund, San Francisco	7,223.395	93 236	41.351
Franklin Fire, Philadelphia	3,359 652	47,873	21,954
German, Freeport	20.014,629	201,459	82,674
German Fire, Indianapolis	4,229,531	57,220	31,148
German Fire, Pittsburgh	3 933,616	46.024	29.658
German Fire, Wheeling	3.397,063	45,742	20.853
German Alliance, New York	5.116 454	72,349	31.881
German-American, New York	15,764,531	201.804	93.914
German National, Chicago	4,625 645	59.776	31,980
Germania Fire, New York,	16,666,730	191,938	56,172
Girard Fire and Marine, Philadelphia	2,573.404	31,994	13,835
Glens Falls Glens Falls	8,346,727	75.479	41,778
Globe and Rutgers, New York	5,942,675	79.303	44,329
Hanover Fire, New York	5 507.579	74,276	36,334
Hartford Fire, Hartford	48,384.275	653.331	308,149
Home, New York	60 557,430	533,880	292,192
Home F. and M., San Francisco	2,661,496	36.335	16,148
Indemnity Fire, New York	1,129 341	15,166	8,160
Insurance Co. of North America	19 111,083	258,593	121,848
Lumber, New York	216.675	4,074	2.355
Lumbermen's, Philadelphia	2,412.045	33,878	14,123
Milwaukee Mechanics, Milwaukee	8,294,712	102.891	39.343
Mechanics Fire, Philadelphia	2,831 569	40,022	17,366
Mechanics and Traders, New Orleans	766,380	7,104	4,262
Metropolitan Fire, Chicago	1,038,376	11,892	7,274
Michigan Fire and Marine, Detroit	2,467,687	31,249	15.063
Milwaukee Fire, Milwaukee	2.097.013	28.134	14.018
Nassau Fire, Brooklyn	2,213,553	20,501	8,578
National, Allegheny	2,436,749	32,492	11 421
National Fire, Hartford	21,973 781	245,171	112,808
National Union, Pittsburgh	4,121,331	52,651	21,519
Newark Fire, Newark	1,530,856	22,193	11.243
New Hampshire Fire, Manchester	5,048 292	56,786	20.599
New York Fire, New York	2,003,623	21,928	15,171
Niagara Fire, New York	8,540,326	106 988	47,180
North British and Mercantile, N. Y	1,195,815	7,097	554
North German Fire, New York	2,461,414	34,943	18,118
Northern, New York	463,564	5,066	5,920
North River, New York	3,591 839	50 831	17,124
Northwestern National, Milwaukee	12,697,634	114,319	32,725
Orient, Hartford	4,356,444	54,141	25,528
Pelican, New York	1,379,247	20,688	11,850
Pennsylvania Fire, Philadelphia	8,522,738	110 053	41,303
Phenix, Brooklyn	14,945 258	190,412	111,864
Phœnix, Hartford	21,193,105	222,726	93 024
Pittsburgh Fire, Pittsburgh	866,505	15,434	3.744
Providence-Washington, Providence	6,281.153	67,120	35 586
Queen, New York	13,531,941	185.229	85,221
Reliance, Philadelphia	4,121,807	43,963	21,985
Rochester German, Rochester	6,715 845	99,639	53,989
Security, Baltimore	1,985 682	14,271	1,923
Security, New Haven	4 666,454	48,493	19,318
Springfield F. and M., Springfield	12,599 400	153,340	62,438
Spring Garden, Philadelphia	4,256,549	57,309	29,708

COMPANIS.	Risks Written.	Net Premiums Received.	Net Losses Paid.
St. Paul Fire and Marine, St. Paul	$6,377,068	$82,532	$ 40,124
Star Fire, Louisville	687,531	11,441	4,103
Stuyvesant, New York	1,508,914	33,579	19,958
Teutonia, Allegheny	756,467	10,957	8,763
Teutonia, New Orleans	2,523,724	20,283	14,475
Traders, Chicago	4,433,599	59,835	43,772
Union, Buffalo	661,985	8,231	2,911
Union, Philadelphia	3,481,635	37,925	19,063
United Firemen's, Philadelphia	2,232,627	34,559	15,923
United States Fire, New York	2,302,889	23,294	19,854
Victoria, New York	386,800	4,782	535
Westchester Fire, New York	6,755,563	86,248	31,221
Western, Pittsburgh	3,064,375	36,777	22,055
Williamsburgh City Fire, New York	3,509,922	46,877	29,618
Totals	$624,208,393	$7,515,247	$3,586,563
Foreign Companies.			
Atlas, London	$5,275,125	$65,148	$23,443
British American, Toronto	5,288 540	73,276	48,269
Caledonian, Edinburgh	2,551,779	35,904	18,176
Commercial Union, London	10,863,310	130,296	43,923
Liverpool and London and Globe, Liv.	17,399.480	219,408	133,351
London Assurance Corp., London	4,790,628	71,006	36,270
London and Lancashire, Liverpool	6,777,794	79,424	47.699
North British and Mercantile, London	14,359,882	172.168	65,205
Northern, London	10,348,456	137,997	79,563
Norwich Union, Norwich	8,544,311	108,868	55,180
Palatine, London	4,741,383	55,997	22,617
Phœnix, London	7.113.214	103 849	63,567
Royal, Liverpool	26,199,560	310,452	137.678
Royal Exchange, London	6,361,236	64,006	35.836
Scottish Union and Nat., Edinburgh	5,491.573	69,759	25,700
Skandia, Stockholm	3,725 585	54,802	27,094
Sun, London	9,714,303	92,958	47,192
Union, London	3,773,124	32,581	38,061
Western, Toronto	7,430,546	104,199	49,901
Totals	$160,749,829	$1,982,097	$998 725
Grand Totals	$841,387,766	$10,156,257	$4,877,080
COMPARISONS WITH BUSINESS OF PREVIOUS YEARS.			
1903	$814,728,020	$9,740,776	$5,396,523
1902	816,489.625	9,424,661	5,121,496
1901	897 723,575	9.779,300	6,072.916
1900	777.907,302	7,951,534	5.039 699
1899	718.428,503	7,174.898	5,766,413
1898	675,430,664	7,036,634	4.240,146
1897	647,525,369	7,138,512	3,655,551
1896	582,712.821	6,829 891	3,057,461
1895	606.622,243	7,319.964	4,836,014
1894	564 925,911	6,749,338	4,063 632
1893	598.137,779	7,001.801	4,108 990
1892	593.372,645	6,784.237	4,903,114
1891	594 639,011	6,392,011	4,373.743
1890	583.823,767	6,183,062	3 310.394
1880 to 1890, inclusive	4,562,898,639	50,300,557	28,831,149

The business done by mutual companies in Ohio is not included in these totals. The percentage of losses paid to premiums received in the twenty-five years included in the above table is 59.6. The percentage in 1904 was 48.0.

Mutual companies wrote in Ohio in 1904 $119,535.221, with premiums of $1,590,531 and losses paid of $732,472.

Fire Insurance Business in New Jersey in 1904.

(Compiled from a Statement by the Insurance Commissioner.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Stock Companies of New Jersey.			
American, Newark	$18,853,431	$143,407	$55,962
Atlantic City, Atlantic City	921,833	25,549	3,330
Camden Fire, Camden	8,460,098	90,192	38,592
Columbia, Jersey City	.....	.....	.....
Eastern Fire, Atlantic City	1,376,998	25,460	2.144
Federal, Jersey City	.....	.....	.....
Firemen's, Newark	16,608,457	130.745	28,565
National Fire and Marine, Elizabeth	1,331,337	11,380	6,999
Newark Fire, Newark	6,256.423	47,830	11,954
New Brunswick Fire, New Brunswick	781.904	18,999	3,904
Standard Fire, Trenton	10,060.291	111,256	46,102
Total	$64,650,772	$604,787	$197,553
Companies of Other States.			
Ætna, Hartford	$21,670,754	$189,060	$115,683
Agricultural, Watertown	6 088,300	52,457	20,506
Allemannia Fire, Pittsburgh	1,246,511	18,847	14,771

COMPANIES.	Risks Written.	Premiums Received.	Losses Incurred.
American, Boston	$949,211	$10,626	$4 988
American Central, St. Louis	1.130,950	13,374	10,941
American Fire, Philadelphia	8,321,091	88,811	46,742
Anchor Fire, Cincinnati	517,052	12,065	14,171
Armenia, Pittsburgh	785,716	12,127	4,980
Assurance Company, New York	1.425,198	12,623	18,043
Boston, Boston	3,643,339	41,131	16,083
British American, New York	417 484	5,212	3,537
Bucks Co. Contributionship, Pa	100,016	2,986	.....
Buffalo Commercial, Buffalo	854,665	7,543	1,232
Buffalo German, Buffalo	1,269,448	10,277	1,841
Caledonian-American, New York	577,246	4.988	682
Capital Fire, Concord	393.954	3,608	2,645
Citizens, St. Louis	3,455,686	38,759	47,445
Commerce, Albany	513,305	6,721	3,568
Commercial Union, New York	600,117	6,152	5,840
Concordia Fire, Milwaukee	852,459	11,522	3,339
Connecticut Fire, Hartford	9,447,300	84,081	46,547
Continental, New York	19,223,817	180.727	94,135
Delaware, Philadelphia	3,143,684	36,274	18,854
Dutchess, Poughkeepsie	1,822,779	23,250	17 580
Empire City Fire, New York	1,366,513	15,044	7,349
Equitable Fire and Marine, Provide'ce	2,267,006	22.957	11,199
Farmers Fire, York	1,464,517	20,586	20,129
Fire Association, Philadelphia	12,362.503	131,151	84,803
Fire Ins. Co of County of Phila	364,007	3,788	1,555
Fire Ins. Co. Northampton Co., Easton	249.628	2,197	2,076
Fireman's Fund, San Francisco	6,805 087	70,183	43,761
Franklin, Philadelphia	3,538,083	36 172	15,693
German, Freeport, Ill	4,791,542	42.530	24,670
German Alliance, New York	1,952,563	19,328	6,952
German-American, New York	29,489,052	254,173	151,272
Germania Fire, New York	25.632 626	187,332	64,143
Girard Fire and Marine, Philadelphia	2,773.952	22,339	7,042
Glens Falls, Glens Falls	6,055,836	52.087	15,114
Globe and Rutgers Fire, New York	7,232 627	106,166	40,175
Hanover Fire, New York	11,142,152	118,848	80,147
Hartford Fire, Hartford	28 297,547	255,230	174.174
Home, New York	39,485,035	344,859	266,652
Home Fire and Marine, San Francisco	1,978.809	21,494	11,872
Indemnity Fire, New York	411,771	4,411	841
Indianapolis Fire, Indianapolis	47,065	1,198	2
Insurance Company of North America	14,451,584	143.167	87,256
Mechanics, Philadelphia	376.035	3,931	2,845
Milwaukee Mechanics, Milwaukee	1,404.699	16,766	5,855
National Fire, Hartford	15,404,176	139.100	51,876
National Union Fire, Pittsburgh	3 296,630	32,236	11,198
New Hampshire Fire, Manchester	5,716,277	59.051	34,454
New York Fire, New York	2,604,049	22,065	17,893
Niagara Fire, New York	13.581 291	127,590	46,966
North British and Mercantile, N. Y	781.772	5.027	2,832
North German Fire, New York	889 464	12,955	3.826
North River, New York	7,777.142	80,366	29 607
Northwestern National, Milwaukee	2,325,338	15,456	2 433
Orient, Hartford	3,394,993	20,781	11,531
Pacific Fire, New York,	1,272,430	18,127	9,590
Pelican, New York	203 764	1.979	279
Pennsylvania Fire, Philadelphia	11,250,000	108.878	69 710
Phenix, New York	16,727,686	171.798	94,551
Phœnix, Hartford	8,182,400	72,997	40,018
Providence Washington, Providence	5,519,731	52,961	26,662
Queen, New York	11,138,993	93,212	52,127
Rochester German, Rochester	2,483,572	30,240	20,205
Security Fire, Baltimore	685 554	6,140	.....
Security, New Haven	1,624,877	13,045	2,546
Springfield F. and M., Springfield	12,141.742	128.384	66.583
Spring Garden, Philadelphia	2,581,517	26,233	12,436
St. Paul Fire and Marine, St. Paul	6,381,884	58,777	33,089
Star Fire, Louisville	818,778	15.883	6,229
Stuyvesant, New York	2,201,145	23 837	10,081
Teutonia, New Orleans	2,247,152	17,728	16,910
Traders, Chicago	3,319 853	36 379	21,896
Union, Philadelphia	2 806,171	15,302	10,234
United Firemen's, Philadelphia	1,644,036	18,864	9,306
United States Fire, New York	2,251,113	23,176	4,920
Victoria Fire, New York	1.024.268	9 664	5,763
Westchester Fire, New York	9,746,258	104.295	48.415
Western, Pittsburgh	3,291,158	27,971	22,640
Williamsburgh City Fire, New York	4,845.232	46,430	21.579
Totals	$462,550,758	$4,397,078	$2,458,116
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle	$2,974,413	$30,617	$20,295
Alliance, London	227,709	1,537	485
Atlas, London	3,244,396	33.548	14.956
British America, Toronto	2,147,376	26,551	23,921
Caledonian, Edinburgh	3,913,799	40.205	10,273
Cologne Reinsurance, Cologne	5.076.128	50,743	30,939
Commercial Union, London	15,766.673	103,936	50,311
Hamburg-Bremen, Hamburg	5,130,919	52.033	34,964
Law Union and Crown, London	1,534,112	16,384	10.152
Liverpool and London and Globe, Liv.	31.274.653	309 163	221,761
London Assurance Corporation	4.726.088	40,496	13,700
London and Lancashire, Liverpool	7,404,745	51,435	16,924
North British and Mercantile, London	14.706 897	130,786	86,369
Northern, London	30,516,101	206,037	157,712
Norwich Union, Norwich	8,038,801	67,457	28,656
Palatine, London	3,545.424	30.818	14,314
Phœnix, London	12.719,627	133.138	94.364
Prussian National, Stettin	2.595.824	25,730	9,831
Royal Exchange, London	8,480.714	90,207	35,716
Royal, Liverpool	20.100,004	192,175	96,936

COMPANIES.	Policies Issued.	Premiums Received.	Losses Paid.
Salamandra, St. Petersburg	$4,394,197	$52,891	$26,469
Scottish Union and Nat., Edinburgh	4,550,087	51,508	58,968
Skandia, Stockholm	2,282,437	22,751	13,653
State Fire, Liverpool	654,927	7,237	9,138
Sun, London	5,929,945	98,955	50,742
Svea, Gothenburg	1,520,684	17,881	17,566
Union, London	6,042,549	55,316	27,024
Western, Toronto	4,153,025	53,898	34,299
Totals	$213,652,264	$1,993,434	$1,209,851
Grand Totals	$740,853,794	$6,995,249	$3,865,520
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$690,606,681	$6,570,390	$2,851,788
1902	669,028,923	6,071,021	6,851,233
1901	579,800,581	4,845,250	2,901,564
1900	591,906,082	4,486,543	3,860,055
1899	562,359,202	4,192,851	2,165,688
1898	551,542,773	4,300,698	1,903,607
1897	521,002,901	4,367,125	1,954,095
1896	479,964,742	4,129,033	1,765,321
1895	467,273,351	4,030,864	2,079,568
1894	433,661,657	3,740,577	1,777,851
1893	435,865,310	3,696,756	1,797,045
1892	422,688,761	3,449,835	2,452,766
1891	392,431,147	2,944,715	1,785,629
1880 to 1890	3,248,107,385	25,440,764	11,489,889

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 56.5. The percentage in 1904 was 55.3.

(Continued from page 210.)

private income. If it is insufficient, she will still have to face a struggle from which forethought on her husband's part might have preserved her. Her income lasts only for her life; and, should there be children, the death of the mother while they are still young is too distressing to contemplate. Again, if the wife's income contributes to the family expenses, her death would involve a serious pecuniary loss to the husband. Her life, therefore, should be insured; or, better still, a joint assurance, payable to the survivor, should be effected.—*Business, Manchester.*

THE MAN WITH AN INDEPENDENT FORTUNE, A FLOURISHING BUSINESS AND NO DEPENDENT RELATIVES.

At the first blush, this seems to be a hopeless case for the agent; and, no doubt, many an enterprising agent has abandoned the like in despair. For what inducement is there for such a man to insure his life? The writer remembers, many years ago, accompanying an agency inspector to canvass a friend who was in this happy position. When the circumstances were explained the former at once remarked: "You are just the man who ought to insure." At the conclusion of the interview the writer, who, as a comparative novice, was rather staggered at the remark, asked the inspector how he could justify it.

"Well," he replied, with a smile, "perhaps I put the case rather strongly when I indicated your friend's circumstances as specially suggesting life assurance; for, as you know, there are many other conditions of life which may suggest it even more emphatically. But, all the same, your friend makes a great mistake if he thinks that life assurance is of no use to him. On the contrary, the mere fact of his being rich provides him with an exceptional opportunity for availing himself of life assurance in a form adapted to his financial position. He is rich; but that is no reason why he should scruple to add to his eventual wealth, if he can do so by a mere stroke of the pen and a moderate annual payment. We could furnish you with scores of instances where men of large fortune have vastly increased the value of their estates by this means. They can do so without any serious present sacrifice. And it is not as though the benefit can accrue only to their representatives after their death. As an investment they will find it will pay them handsomely during their own lives."—*Business, Manchester.*

A SOUND INVESTMENT.

The richer we grow as a nation the more difficult it becomes to invest our surplus wealth safely and profitably. Our national credit being so good, our Government securities are sold at so high a premium that the net income from this source would not average much more than 2 per cent., and yet so desirable is absolute security that many conservative capitalists invest a considerable proportion of their wealth in Government bonds. Bonds and mortgages in large cities, where real estate values are not liable to great fluctuations and where there is a steady demand for improved property, are good investments for persons who are familiar with values; but the general demand for this class of investments is steadily forcing down the rate of interest. Moreover, this class of property is subject to taxation, which reduces the net income to be derived from it, and it requires watchful care to guard against loss. The great accumulations of capital looking for investment of late years have forced up the prices of the better class of railroad stocks and bonds, until comparatively small incomes are to be derived from this source, and the overflow of wealth has sought new channels in our great industrial enterprises.

The modern trust offers alluring inducements to investors, and the development of the vast resources of the country on a larger scale than the world has ever seen will make many great fortunes; but only the trained financiers or the man who can afford to take chances should venture on this treacherous ground.

There is one class of investments, however, which is as safe as Government bonds and which is more productive than any other equally secure investment. Endowment or investment insurance is the best and safest way of investing money known to modern civilization, when the company is carefully selected.—*The Statement.*

Little drops in tariffs,
In spots throughout the land,
Makes it best to meet them
With little grains of sand.
—*Glens Falls Now and Then.*

A GOOD SOLICITOR.

You cannot achieve the largest measure of success as a surety agent unless you are a good solicitor. The good solicitor produces results, and as it is only results that count in the race for success, it is essential to our mutual interest that you cultivate those qualities which go to make the good solicitor.

You may have an agreeable presence and a tactful and pleasant manner in approaching men, but unless you combine with these qualities the courage to face obstacles and the determination to pursue the quest until your efforts are ultimately crowned with success, you are foredoomed to failure as a solicitor.

You must expect to encounter indifference, prejudice, objection, and even opposition from every individual whose patronage you solicit. Instead of discouraging you, however, these difficulties should only spur you on to greater activity. Expecting them you go better prepared to meet and overcome them.

You may perhaps encounter an individual who declares that he does not need the protection which you have to offer him. He is doubtless sincere in his belief, as otherwise he would be seeking you instead of you going after him. It is your business to convince him that he does need it, and when you have accomplished this you are both better off.

How's Your Backbone? Can You Stand Alone?

Agents who can answer "strong" and "yes" to the above questions and who want to be advanced more than they want advances, can secure splendid contracts with liberal renewal commission guarantees from the

Security Trust and Life Insurance Co.

BROADWAY and 26th STREET, NEW YORK.

Hon. R. E. PATTISON, President.
Hon. GEO. B. LUPER, 2d Vice-President and General Manager.

ADDRESS FOR TERMS

Moore Sanborn, 4th Vice-President and Manager of Agencies.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.
6,561 per day in number of Policies issued.
$1,426,700.50 per day in New Insurance Written.
$114,060.67 per day in Payments to Policyholders and addition to Reserve.
$73,326.81 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$64,270,818.12
Bonds and Mortgages,	33,094,145.00
Real Estate,	16,806,932.86
Cash,	7,323,372.74
Loans to Policyholders,	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.

Reinsurance Fund and Special Reserves,	$112,351,323.00
All other Liabilities,	907,772.25
Capital and Surplus,	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security. $277,290,466.48

Number of Policies in Force, . . . 8,029,906

Amount of Outstanding Insurance, . . $1,470,424,281.00

Amount of Insurance Issued in 1904, . . $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

	Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.	
1884—	$2,915,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00—	1884
1894—	18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00—	1894
1904—	55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00—	1904

In its Ordinary Department policies are issued for from $1,000 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

[FIRE]

German American Insurance Company New York

CAPITAL
$1,500,000
NET SURPLUS
5,841,907
ASSETS
12,980,705

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

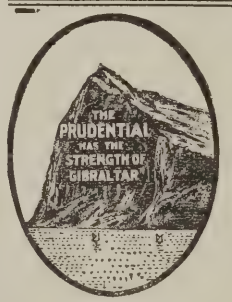
The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
Net Surplus	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men
The Grand Prize was awarded the Prudential at the St. Louis Exposition.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.78
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

THE METROPOLITAN PLATE GLASS AND CASUALTY INSURANCE COMPANY OF NEW YORK.

Home Office: 47 Cedar St.

Chartered 1874. The Oldest New York Company in Its Line.

Assets, January 1, 1904, $591,813.08.
Surplus to Policyholders, 389,895.29.

Plate Glass and Personal Accident Policies

OF THE MOST APPROVED FORMS.

EUGENE H. WINSLOW, President, DANIEL D WHITNEY, Vice-Pres't
S. WM. BURTON, Secretary. ALONZO G. BROOKS, Ass't Sec'y.

RELIABLE AND ENERGETIC AGENTS WANTED.

Promises Pleasingly Placed

In UNION MUTUAL policies. Modern contracts, convincingly arranged, with insurance guarantee, rights and values completely set forth before mention of premium rate. Lengthy explanations unnecessary — every feature plain and simple. Easy to understand; quick to sell.

UNION MUTUAL LIFE INSURANCE CO.

Portland, Maine.

FRED E. RICHARDS, President. **ARTHUR L. BATES, Vice-Pres't.**

Always a place for active agents who hold business written.

APPLY TO EITHER

EDSON D. SCOFIELD, Superintendent, 180 Broadway, New York City.
THORNTON CHASE, Superintendent, 84 Adams Street, Chicago, Ill.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eight, automatically.

$25,500 000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

The Mutual Benefit

LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905,	$93,237,790.27
LIABILITIES,	85,918,227.30
SURPLUS,	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

The Union Central Life Ins. Co.

CINCINNATI, OHIO.

THE GREAT POLICYHOLDERS' COMPANY

Assets, January 1, 1904,	$38,795,143.78
Liabilities,	32,615,645.78
Gross Surplus,	6,179,498.00

No fluctuating securities—Largest Rate of Interest—Low Death Rate.
Large and increasing Dividends to Policyholders.
Desirable Contracts and Good Territory Open for Live Agents.

Address JOHN M. PATTISON, President.

PHENIX INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET.

THERE IS

Always a Good Opportunity for

a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK

ITS REPUTATION INSURES SUCCESS FOR
THE INTELLIGENT AND ACTIVE AGENT

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents

32 NASSAU STREET, NEW YORK CITY

SAFETY FUND INSURANCE.

NIAGARA

Fire Insurance Company

OFFICE:
135 & 137 BROADWAY. OF NEW YORK.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, Jr., Manager. T. A. RALSTON, Sub-Manager.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office 50 and 52 Pine Street.

New York City.

STATEMENT JANUARY 1, 1904.

Assets	$1,734,353.51
Liabilities	992,722.08
Net Surplus in the United States	$741,631.43

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

North British & Mercantile

INSURANCE COMPANY,

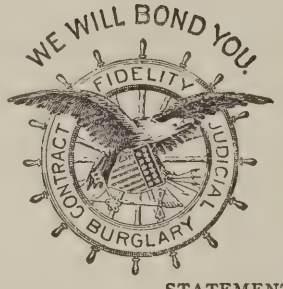
OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.



THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Sec'y.

Agencies in all the principal cities of the United States.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y

Telephone: 3894 John.

FORTY-FOURTH YEAR.

COMMERCIAL UNION ASSURANCE CO.

LIMITED.

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

FORTY-FIFTH YEAR

HOME LIFE
INSURANCE COMPANY
OF NEW YORK,

GEORGE E. IDE, President.

Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus,	1,134,104.25	1,362,315.56
Insurance in Force,		74,892,289.00

The Massachusetts Mutual
Life Insurance Company,
INCORPORATED 1851. *SPRINGFIELD, MASS.*

ASSETS—December 31, 1904.....	$37,071,297.57
LIABILITIES	33,770,674.54
SURPLUS	3,300,623.03

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Vice-President.
W. H. SARGEANT, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager of Agents for Southern New York.

The Preferred Accident Insurance Co.
OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.
January 1, 1904.

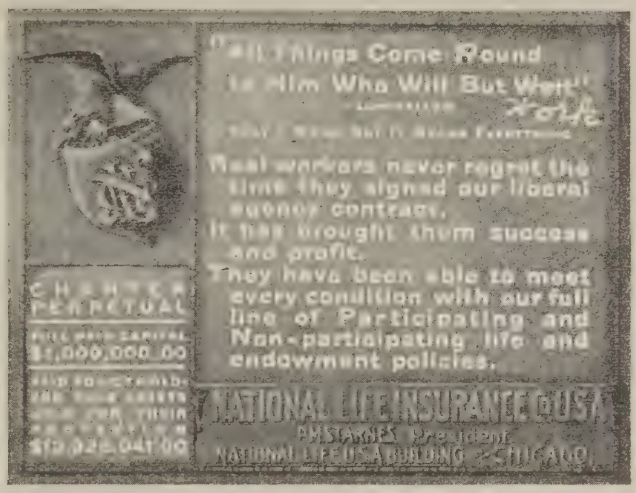
Assets,	$1,152,330
Surplus,	439,609

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

QUEEN
Ins. Co. of America.
NEW YORK.

HANOVER
Agencies in all the Principal Places in the United States.

Fire Insurance Company
OF NEW YORK.



BRITISH AMERICA ASSURANCE CO. INCORPORATED 1833.
FIRE AND MARINE. HEAD OFFICE—TORONTO, CANADA.
UNITED STATES BRANCH.
JANUARY 1, 1905.

Assets	$1,428,610.75
Liabilities	1,030,923.14
Net Surplus.....	$397,687.61

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.

Head Office for the United States:
57 and 59
William Street,
NEW YORK.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

A. G. McIlwaine, Jr., Manager.

AGENTS WANTED
BY
The Manhattan Life
OF NEW YORK

Exclusive Territory
Liberal Contracts

STRENGTH
SECURITY
SOLIDITY

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488,98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

1825. THE 1905.

Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,
232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

Western Assurance Company.
HEAD OFFICE: TORONTO, CANADA.
INCORPORATED 1851.
Hon. GEO. A. COX, President.
J. J. KENNY, V. P. and Managing Director.
UNITED STATES STATEMENT, JANUARY, 1905.

Assets	$2,360,496.46
Surplus in United States	731,149.48

Royal INSURANCE COMPANY
(FIRE)
OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1904.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$8,520,383.40
Liabilities, ...	5,204,870.83
Net Surplus, January 1st, 1904,	$3,315,512.57

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

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THE announcement that the fire insurance companies have decided to withdraw from Arkansas on Thursday week is based, of course, on the belief that the bill of the Senator from Hot Springs to eliminate the extra-territorial provision from the anti-compact law will fail. Indeed the companies have no alternative but to suspend operations, because they cannot consent to break up the Western Union, New England Insurance Exchange, South Eastern Tariff Association and other rate making boards, to say nothing of their combines in Tokio, Turkey and Tie Ling Pass, for the privilege of paying losses in Arkansas. With the entire business interests of the State pleading with him to allow his Legislature to amend the law so as to save their insurance, Governor Davis not only refuses to allow but he pledges himself to veto the amendment of Senator Milan, if it should succeed in getting through. At present writing there appears to be no hope for poor Arkansas—about to be bereft of insurance, bereft of credit which must have the protection of insurance, bereft of the power to borrow money to rebuild her waste places; an example for all time to demagogue ridden States.

THE Whitney bill, introduced in the New York Assembly this week, is one of those wild contrivances of half cooked reformers which complaisant assemblymen so willingly father to oblige a constituent. The bill provides that every life insurance company doing business in the State shall annually file with the Superintendent of Insurance a complete list of the names of its policyholders alphabetically arranged, stating their several places of residence, the amount of each policy held by such persons, respectively, and the time when such policies were respectively issued. The number of life insurance policies, including industrial policies, carried by companies transacting business in this State is over 20,000,000, and the number of policyholders nearly the same. These are exclusive of members of fraternal orders. The clerical work necessary to compile this information and arrange it in intelligible form for inspection in the department records would be enormous, and for what purpose? Ostensibly the object is to enable policyholders of a company to know one another so as to act in unison for the promotion of their own interests in the company. The actual effect of filing these names for general scrutiny would be to reveal the private affairs of both the companies and the policyholders. A fine field for raiding each other's premises would be afforded the "twisters" of the respective companies, but worse, the measure of every man's provision for the care of his family or creditors would become public property. What a mine of racy gossip it would furnish the yellow journalist! There is no more reason for an exposure of the amounts for which men insure their lives than there is for the amounts they have on deposit in their banks.

THE bill in the New York Legislature to prevent the organization of any more "business assessment associations" in this State is naturally meeting with opposition from persons interested in starting these concerns, and their intrigues have drawn from the Insurance Department a communication to the Senate Insurance Committee stating its reasons for promoting the bill. These are simply that this class of companies have passed their days of usefulness—if they ever had any—and that they cannot now secure the requisite new membership to give them perpetuity and strength. The Insurance Superintendent makes the impressive and convincing statement that since business assessment associations have been under the supervision of the department, a period of twenty-four years, 282 have ceased the transaction of business, while 42 are still at it, one-third of which have a membership of less than 600 each. Of the 282 associations which have retired 38 have had receivers appointed. The remainder did not have enough assets to warrant the appointment of receivers. With such a record it is evident that no more of these concerns are needed to insure lives and eventually disappoint the insured by the incompetency or rascality of their officers. Both Massachusetts and Maine have already shut them off and the example is going to be catching. The main purpose of Superintendent Hendricks' communication to the Senate committee is to disabuse the minds of its members of the idea that his bill is a drive at the fraternal orders. Not only are they not covered by the bill but he shows proof that it has the sympathy of important fraternal officials. It is to be regretted that the entire assessment system, commercial and fraternal, cannot be destroyed, root and branch, but the makeshifts of the fraternals will keep them alive doubtless for a while longer, until they in turn fail through the inherent unsoundness of the assessment plan. But the "business" associations, which are worked for the use and profit of their officers almost wholly, should be checked now.

THE revelations of *Insurance Engineering* about the failure of Baltimore to improve conditions in the burned district and provide in a general way against the recurrence of a sweeping conflagration, should be taken to heart seriously by fire underwriters, and if they can wake up that apparently lethargic community to a sense of duty by penalties or cancellations they should not delay doing it. Briefly summed up, the charges are that little money besides that recovered from insurance companies is being devoted to the restoration of damaged buildings and the kind of work that is done is not as good as it should be. "Metal covered shutters have been provided

for the rear windows of a few banks and other buildings that have recently been reoccupied. In the new construction there is often a curious mixture of good and bad methods. Ordinary hollow lath and plaster partitions are common, a good many concealed spaces in floors exist, steel beams have occasionally been left unprotected with cement, and other defects are reported. Only two or three structures have been designed on thoroughly modern principles." Besides this the new building code is not adequate, no additional water supply is in sight and the equipment of the fire department has not been enlarged. The Fire Board recommended the organization of fourteen new engine companies, four hook and ladder companies, and the establishment of two fire boats. All that has been done so far toward complying with these requirements has been the appropriation of money to buy two fire engines. It is only fair to state that the Baltimore daily papers, as a rule, resent these criticisms, and claim that they are not wholly justified, but one paper, the *News*, has the candor to admit that some of the charges at least are true. It says:

We are far from having placed ourselves in as safe a position in reference to the fire peril as the situation demands. The new buildings that have been erected are, in a large proportion of cases, sadly lacking in fire resisting quality, not to speak of actual fireproof character. We have added very little to our apparatus for fighting fire, and done nothing in the way of a radical addition to our fire fighting resources. We are far from having made complete provision against the recurrence of a conflagration; and we should all be mindful that another great conflagration, if we were so unfortunate as to have one in the near future, would be a crushing blow to the city.

It might have been well to have added that the companies are not eager to drop another score and a half of millions in the same spot, and in view of these disclosures are pretty sure to take precautions against it.

Facts and Opinions.

The question of a high pressure **salt water supply** for fire fighting purposes **in New York** is receiving much attention from the city officials at present. Chief Croker has expressed his opinion that the plan would not prove effective on account of certain engineering features, principally that it would be impossible under the plans to force salt water into hydrants covering the entire district from Chambers to Twenty-third street. The contracts for salt water mains in Brooklyn have been already made. Commissioner Hayes has made a statement in which he says that he regards the establishment of such a system as imperative and feels certain that the engineering obstacles can be successfully overcome. The committee on water supply of the New York Board of Fire Underwriters has sent the following letter to Mayor McClellan:

Dear Sir—The New York Board of Fire Underwriters is naturally very much interested in the matter of the installation of the proposed salt water auxiliary high pressure system, intended primarily for fire protection purposes. We have been informed that the plans and specifications that have been submitted by the city's engineer, Mr. De Verona, are defective, and that the plant as proposed cannot be relied on in case of a conflagration. If this is the case the expenditure of the large sum of money proposed would be useless. We feel that we have in our employ men who are thoroughly competent to pass upon these plans and specifications, and we desire to urge these facts upon your attention and at the same time to earnestly request you to delay the letting of the contracts until the New York Board of Fire Underwriters has had an opportunity, through its experts, to carefully examine the plans and specifications and submit to you the result. The delay can only amount to a few days, and we feel that the best interests of the city would be served by your complying with our request. We will appreciate immediate advice as to your decision in the matter.

A similar letter was sent to the mayor by the committee on internal trade and improvements of the New York Chamber of Commerce. The bids for various contracts on the New York mains were opened on Wednesday. For supplying 1,100 hydrants for this service in Manhattan John Fox was the lowest bidder. The other bidders were A. P. Smith, the Camden Iron Works and the Ludlow Valve Company. The amount to be paid to Mr. Fox, if the contract is awarded to him as lowest bidder, will be $85,000.

Notwithstanding the frenzied efforts of the able reporters of the daily papers to keep alive the war rumors it was learned yesterday that the committee of directors of the **Equitable Life,** appointed to consider plans for the **mutualization** of the company, has made such progress that an announcement of an arrangement satisfactory to all the parties concerned—policyholders, stockholders and officers—may be made in a few days. Meanwhile, there is a good deal doing outside. Three self constituted committees, one headed by Mr. Crimmins, another by Col. Alexander S. Bacon, and a third which is presumably a "strike," are laboriously at work mailing letters to policyholders. Colonel Bacon's committee opposes mutualization, while Mr. Crimmins' committee is preparing a draft of an address to policyholders and a bill for the New York Legislature. There are already two bills on the subject in the Legislature and other bills to distribute the so called surplus of life insurance companies are pending in the legislatures of Wisconsin, Pennsylvania, Massachusetts and New Mexico. Still another in New Hampshire was killed this week. One Trull has brought a suit to restrain the directors from buying Vice President Hyde's stock. It is reasonable to believe that much of this confused striving to do something by people honestly anxious to help and people dishonestly anxious to be bought off will subside as soon as the special committee of the directors makes its report. Meanwhile, according to Vice President Tarbell, the business of the company is unaffected and continues to boom.

The **Missouri Association of Local Fire Insurance Agents** has addressed a letter to members in reference to the efforts to secure the repeal of obnoxious insurance laws and stating that on account of the delay in organizing the campaign because of the differences of opinion between the companies and agents (which have now been adjusted), the attempt to secure the abrogation of the anti-compact law has had to be abandoned for this session. Efforts are now concentrated on the repeal of the anti-coinsurance law and promise is made to engage in educational work during the next two years, with the view of more effective proceedings when the next Legislature meets. The communication says:

Let us all endeavor to get this question taken up in proper time for the next Legislature. With this in view let us press upon the company managers the fact that insurance ratings and regulations will always be resented by communities unless the local agents understand the reasons for the rates and the regulations, are convinced of their justice, and defend them among the premium payers; let us press upon the premium payers and the voters the fact that the anti-trust law did not stop the estimating of rates, bring in open competition and produce cheap insurance, nor can it ever do so as long as the companies are unwilling to accept business at less than the rates determined by regular rate making machinery in some form or other. What the law did, however, succeed in doing was to strike down the Association of Local Insurance Fire Agents, who used to be, and could again be, factors in rate making. Convince the voters and premium payers that if the law should again permit organizations of local fire insurance agents to have an important part in regulating rate schedules a lower average of rate estimates will prevail, and the insurance business be conducted more to the satisfaction of the premium payers and companies.

The Equitable Life's business is still booming, says Vice President Tarbell in his March address to the agency force

of the company, in which he abates not a tittle of his enthusiasm and confidence. February's business was the biggest ever. In the course of his message Mr. Tarbell says:

The month of February, 1905, will ever remain a memorable one in the history of the society. First, because the board of directors, at a meeting held on the 16th, by a resolution duly adopted, declared that in their opinion policyholders should be given the right to vote and that steps should be taken for carrying this principle into effect at the earliest possible moment. This matter is now in the hands of a committee appointed for that purpose with directions to report back to the board not later than Wednesday, April 12, 1905. Second, because our new business in February was several millions greater than in any previous February in the history of the society. For this we have you to thank. Your loyalty, your devotion, your determination to win seats in our May convention, resulted in our putting upon the books more than $32,000,000 of new business during the short month of February. For this magnificent achievement I do thank you most heartily and sincerely; and I thank you understandingly, for I know from my own past experience the unprecedented efforts you must have put forth to accomplish such glorious results. If there ever was a time when our representatives might have sought to justify themselves in excuses rather than in work performed, that time was during the past few weeks; but be it said to the everlasting credit of the great agency force of the Equitable that they used their time in February in a very different way, as the records clearly show.

The **Prudential** has been **relicensed to do business in Wisconsin.** A special dispatch of Thursday from Madison to the *Journal of Commerce* says:

It is understood that the suit begun by the company against the commissioner to collect fees which were claimed to be excessive for its examination will be withdrawn. With the application for the license the Prudential filed its annual statement, showing that its deposits with banks and trust companies have been reduced. A financial statement of the condition of the Fidelity Trust Company, of Newark, which was the bone of contention between the company and the Commissioner, was also submitted and was satisfactory to the Insurance Department.

The following is Commissioner Host's letter to the officers of the Prudential, copy of which has been wired THE WEEKLY UNDERWRITER by our Madison correspondent:

The Prudential insurance company has filed its annual statement with the Insurance Department of Wisconsin, which shows compliance with the laws of this State, and that its deposits with banks and trust companies have been reduced. The representative of the company has also submitted a financial statement of the condition of the Fidelity Trust Company of Newark, N. J., against which no objection can be raised by this department. Whatever personal opinion the Commissioner of Insurance may hold as to the ownership and control of capital stock of a life insurance company, and whatever personal differences and controversies are pending between the officers of the Prudential and the commissioner officially, there now exists no grounds why a license shall not issue to the Prudential insurance company of Newark, N. J. The license, therefore, has been issued. Very truly yours, (Signed) ZENO M. POST, Commissioner of Insurance.

The Supreme Court of Georgia, at Atlanta, made a ruling last week upholding the right of privacy in the case of **Paolo Pavesich against the New England Mutual Life** insurance company, Thomas B. Lumpkin, its general agent, and J. Q. Adams, a photographer of that city. Pavesich alleged that there was published in the Atlanta *Constitution*, without his knowledge or consent, a picture of himself; above it the legend "Do it Now!" and underneath his picture "The Man Who Did" and the inscription, "I bought a policy in the New England Mutual Life insurance company when I was young and now I am drawing dividends on a paid up policy." A picture alongside his was of a sickly individual and carried words to the effect that the man was ill and did not have an insurance policy. Pavesich claimed that the picture of him was a good one and easily recognizable and that its publication in this manner caused him annoyance and damage to the amount of $25,000. He stated that he had no policy in the company and did not authorize any such use of his portrait. The case was argued in the City Court and dismissed on the ground that no cause for action had been made out in the complaint. The Supreme Court reversed this ruling.

The Little Rock *Gazette* advances the queer theory that the King anti-trust law owes its passage to a frantic desire of the Legislature **to kill off Jeff Davis.** This is what it says editorially:

We believe that many Senators and Representatives who voted for the King bill were bitterly opposed to that measure, but voted for it with the idea of "killing Jeff Davis." And if the King law shall now be enforced in all its terrible and drastic proscriptiveness, if it shall drive out the insurance companies and half paralyze business, if it shall drive capital from this State and set Arkansas back five years, and maybe more, we believe the King law will "kill Jeff Davis." But we don't believe that is what is going to happen. We believe the King law will fail of its drastic and extraordinary purposes; we believe that it will become a dead letter through non-enforcement, or that it will be knocked out by the courts. Then we believe Jeff Davis will go on the stump, call on the old guard to rally round him, say that for eight years he has fought for an anti-trust law that will stop the trusts from plundering the plain people, but that his efforts have been defeated by the trust heelers, and then point out that it is as plain as the nose on your face that if the people want to stamp out the trusts they must send him to the United States Senate, where he will have a law passed that will kill every trust in the United States.

The **committee on losses and adjustments** of the New York Board of Fire Underwriters has made its annual report through Chairman George W. Babb. In the course of the report the chairman says:

The range of the subjects that have required the attention of the committee during the year remains about as heretofore, the tendency being toward a greater smoothness of administration as the practice governing the various points of difficulty becomes more settled. Our first annual report mentioned that there were three board offices which habitually exercised their option to take separate action in adjustments, in accordance with their intention as expressed when the Loss Bureau was established. We are glad to be able to report that two of these offices have now abandoned that practice.

Secretary Willis reports that during 1904 the number of losses adjusted was 1,186, against 1,045 in 1903. The expenses were: Cost to committee companies of adjusters' services, $43,248; cost of services of appraisers, experts, lawyers, etc., $45,600; general expense account, including salaries, rent, etc., $18,766; total, $107,614.

The details connected with the recent underwriting of the lives of the **employees of the United Cigar Stores Company** were handled by the firm of Prosser & Homans, general agents for the Equitable Life Assurance Society, at 180 Broadway, New York. The lives of the employees of the cigar company were insured for $1,000 and upward in the Equitable. When the transaction will have been finally completed it is expected that the total amount of insurance at risk on the company's employees will aggregate $2,000,000. All of the premiums under these policies are to be paid by the cigar company, and not by the employees. This incident further illustrates the "get together" principle which is manifesting itself more and more in the industrial and financial world and evinces belief in the doctrine that the best interests of the employer are inseparable from those of the employed, and that the ultimate welfare of both will be furthered as each helps the other.

A fire, evidently of incendiary origin, which broke out on the **Boston and Maine docks,** at Boston, Tuesday night, was quickly extinguished, but is considered to be one of the series that have wrought such havoc in that property. Manager Lee of the Boston and Maine does not think that the fires are the work of an enemy of the road, but that the incompleteness of the preparation shows that they were started either by abnormal or immature minds. It is intended

to equip both the existing docks and those to be reconstructed with modern sprinkler systems and other safeguards against the recurrence of fire. The adjustment committee on the recent loss under the railroad schedule consists of George Neiley, C. F. Simmons, B. B. Whittemore, E. J. O'Neil and William Gilmour.

The estimated **loss by fire in the United States and Canada** in the month of February, according to the compiler of the *Journal of Commerce*, was $25,591,000. The comparison of losses in the first two months of this year, 1903 and 1904 is as follows:

	1903.	1904.	1905.
January	$13,166,350	$21,790,200	$16,378,100
February	16,090,800	90,051,000	25,591,000
Total two months	$29,257,150	$111,841,200	$41,969,100

The large fires of February, just closed, were: Indianapolis, Ind., several business blocks, $1,070,000; Boston, Mass., wharves and steamers, $1,250,000; Hot Springs, Ark., general conflagration, $1,500,000; New Orleans, La., railroad terminal property, $3,209,000.

An insurance broker, Frank E. Bosworth, of 209 West 134th street, has **asked the district attorney's office to investigate** the payment of $50,000 commission by the Mutual Life to brokers who negotiated the policies for $1,500,000, taken out by James C. Colgate, the millionaire banker, in favor of his wife, who was Miss Hope Conkling. Mr. Bosworth sued Harry Taylor, a former agent for the Mutual Life, for $8,101.25 last July, which he claimed was his share for inducing Mr. Colgate to take out one of the largest amounts of insurance in one company ever obtained by one person. Mr. Bosworth has made a statement to the effect that the Mutual Life gave a check to someone in full for his claim, but that he never received it. His share of the commission he places at $5,000.

The **Pittsburgh, Pa., Life Underwriters' Association** held its nineteenth annual meeting at the Monongahela Club in that city this week and elected R. A. Clark, manager of the Phœnix Mutual Life, as president; William Wood, secretary, and F. G. Brown treasurer. Speeches were made by Third Vice President Moore Sanborn, of the Security Trust and Life; W. S. Van Dyke, of Pittsburgh; R. A. Clark and J. J. Tillinghast, the retiring president. President John Dolph, of the National Association, was present and spoke. The report of Secretary Wood stated that the present membership of the local association is 109, that eight meetings were held during the year and that 1904 had been the best twelvemonth in the history of the local body.

The directors of the **Rochester German** insurance company this week elected Mr. **Eugene Satterlee,** lately first vice president of the company, to be **president.** Mr. Satterlee was born in Glens Falls in 1847, and went to Rochester early in life. He was educated in the Rochester Collegiate Institute and the University of Rochester, where he graduated in 1867. He took a post graduate course in the universities of Heidelberg and Berlin and graduated from the Albany Law School in 1872. He began the practice of law in Rochester in January, 1874, and was appointed counsel for the Rochester German insurance company in 1880, being subsequently elected a director, second vice president and first vice president.

At the annual meeting of the **Boston Protective Department,** Thursday, the old officers, headed by Edward D. Blake, president, were re-elected; George O. Russell and E. D. Blake were re-elected as directors, and G. W. Hinckley was elected a director to fill the vacancy caused by the expired term of R. F. Barrett. It was voted that the department be continued for another year at an expense not to exceed $85,000. The report of Superintendent Abbot showed that the property loss on Boston buildings and contents in 1904 was, in round numbers, $2,492,000, and the insurance loss $2,262,000, the heaviest since 1893. The amount of insurance involved was $23,622,000.

The Appellate Court at Chicago on Tuesday rendered an opinion that notice of **cancellation of the fire insurance policy** must be made personally in the absence of stipulations to the contrary. The Potomac Fire had refused payment of a policy for $1,000 to W. B. Atwood, of DeKalb, Ill., claiming that it had canceled the risk. It sent the usual five day notice in a registered letter, but it was not delivered till the five days had elapsed. The next day, and before the insurance could be renewed, the property insured burned. The company held that the registered letter was notice, but the court held that the notice must actually be given to the insured.

The insurance companies doing business in Illinois secured a temporary injunction two years ago restraining the Chicago tax officials from collecting **taxes on** their interpretation of **"net receipts."** On hearing, the injunction was dissolved and the case was appealed by the companies to the Supreme Court, which has not yet acted upon it. In the meantime the injunctions stand and the taxes for last year have not yet been paid. The taxes for this year are now due and unless they are paid a new injunction must be secured. It is understood that there is doubt as to the advisability of this action on the part of the attorneys, who hold that the law cannot be overthrown.

A bill has been introduced into the House of Representatives at Washington by Mr. Weber, of Ohio, providing for the **insuring of National Bank deposits,** with the United States as the insuring corporation, and that all deposits in every solvent national bank, made in good faith by persons, other than the officers and stockholders, shall be guaranteed by the United States to be paid whenever drawn on by draft or check. To indemnify the United States for the risk and possible losses to be incurred an annual tax is to be levied on all deposits, said tax to be equal to one-tenth of 1 per cent. of the deposits.

Discussing **mutualization of life insurance** companies the *Insurance Register* of Philadelphia says:

> So far as the government of mutual companies is concerned, the idea that it is a government of the policyholders by the policyholders is well enough in theory, but in practice it is a delusion and an absurdity, and it is well that this is so, for thousands of policyholders scattered over all the States and Territories, knowing very little about insurance, and nothing about the men for whom they would be called upon to vote, are absolutely unqualified for such control. Much of the mischief of the assessment system is due to the control of the membership through lodge representation and the formation of cliques to overthrow good men, trained in the duties of their offices, for demagogues sacrificing principle for popularity.

A rearrangement of the **Southern field of the Scottish Union and National** insurance company has been made by Manager James H. Brewster as follows: Harry Y. Chatterly, with headquarters in Baltimore, will cover Maryland, the District of Columbia, Virginia and North Carolina; George H. Collins, headquarters at Atlanta, will be in charge of

South Carolina, Georgia and Florida, and H. T. Higinbotham, headquarters in New Orleans, will look after Alabama, Mississippi and Louisiana.

An engine on the Grand Trunk Western Railroad set fire to a building at Charlotte, Mich., through sparks from a defective stack, and then added insult to injury by backing up and running over the hose of the fire department as it was trying to extinguish the flames. The insurance companies took **subrogation** of their claims and secured a verdict against the railroad for $4,200, the cutting of the hose evidently having something to do with the action of the jury.

In recognition of the fact that the **agency of E. E. Clapp & Co.** for the Fidelty and Casualty Company's accident and health department turned in $1,010,000 in premiums last year the directors this week presented to that firm a silver loving cup of exquisite design and engraved as follows:

"Presented to Messrs. E. E. Clapp & Co., in recognition of their great work in 1904, by the Fidelity and Casualty Company of New York."

The gift was accompanied by an appreciative letter from President Seward.

The organization of the **Calumet Fire** insurance company of Chicago, Ill., was completed last week by the election of the following officers: President, W. Irving Osborne; vice president, Charles B. Gilbert; secretary, Henry Fowler. The company begins with a capital and surplus of $500,000 and in such competent hands promises a fine future. It will be represented in the New York metropolitan district by Fred. S. James & Co., under the management of Mr. Edward Meinel.

The Appellate Court at Rochester, N. Y., this week has dismissed the **appeal of J. Frederick Pennell,** as administrator of his brother, Arthur, against the Fidelity and Casualty Company of New York. The company declares that the decedent committed suicide by riding into a quarry, after his name had been connected with the Burdick murder in Buffalo. The dead man carried a $10,000 accident policy in the company.

The Connecticut Insurance Department has been making an **examination of the Ætna Indemnity Company** asked for by the directors, and finds that, not taking into account non-admitted assets, aggregating $48,986.34, the net assets are $933,703.41. The liabilities, including a contingent fund of $100,000, amount to $452,502.57, and the paid up capital is $374,931.82. The surplus over all liabilities is $106,269.02 and the surplus as to policyholders is $481,200.84.

The **two platoon system,** which has been on trial in the third battalion of the New York fire department since December 5, was ordered discontinued on Thursday. Commissioner "Nick" Hayes says it is impracticable. The men have, however, been given a new regulation, allowing them an extra twelve hours' leave of absence three times a month, which concession was made on the part of the department without being asked for.

The **New Brunswick Fire,** second in point of age of the New Jersey fire insurance corporations, is to double its capital to $200,000 and enter New York, Pennsylvania and perhaps elsewhere. It has paid an average dividend of 14 per cent. during its seventy-one years of existence. Its assets at the beginning of the year were $151,400. Bremer, Du Four, Pinckney & Dudley are general agents for the United States.

In the Superior Court at Boston last Monday $5,639 was awarded to Charles E. Lewis, administrator of his brother, Fred, who was drowned in the Charles River, against the **Brotherhood insurance company.** Deceased held a policy in the defendant company, which refused to pay it because there were no eyewitnesses to the accident. The policy was for $5,000 and the excess over this sum was for interest.

A good story is told in Hartford this week on Manager James H. Brewster, of the Scottish Union and National insurance company. One day recently he wanted a district messenger boy. The little red box was at hand and **he pulled the handle,** but in the wrong direction. Instead of the little boy blue the whole fire brigade dashed up to do his bidding. Then he passed around the best cigars he had.

The **Powhatan Fire** insurance company of Manchester, Va., which was chartered last year with $100,000 capital, has been put out of business by the law requiring $10,000 deposit with the State authorities. On March 31, 1904, it had $22,200 in stocks, $3,500 in real estate mortgages and $74,300 in notes of stockholders. Its officers were G. B. Taylor, president, and R. M. Twisdale, secretary.

The **New York Fire Insurance Exchange** this week elected Cecil F. Shallcross president, Henry Evans vice President and George Jeremiah secretary and treasurer, who has resigned as auditor. Mr. W. N. Kremer, the retiring president, made an excellent speech in welcoming the new officers. Manager Hess made a report, and a report was read from the executive committee.

The fire insurance companies have for some time been **watching Rockaway Beach** with anxiety, as suspicious fires have occurred with frequency there lately and the volunteer force has proved unable to handle them efficiently. The residents are preparing a petition for a paid department and it is also proposed to establish a fire district in the Arverne section.

Regarding **fire insurance by the Government** the Auckland *Star,* a New Zealand paper, states that the colonial fire insurance department follows the tariff rates of the insurance companies and offers no better terms to the public than have been provided by private enterprise. Most of the business written by the Government is reinsured in London Lloyds.

The **plate glass underwriters** met on Tuesday and unanimously adopted the articles of agreement of the new compact and it went into effect on Friday. Commissions to brokers in Greater New York are limited to 33⅓ per cent. on policies, renewals and indorsements. The arbitrator of the compact has not yet been chosen.

The **Ohio League,** which represents the non-Union companies doing business in that State, elected the following officers at its annual meeting: George V. Steef, of the Continental, president; George Diebold, of the National Union, vice president, and C. L. Hicox, of the American of Philadelphia, secretary and treasurer.

The Committee on Cities of the Massachusetts Legislature will report a bill to set apart a district with 100 feet **maximum height of buildings in Boston,** in addition to the districts embodied in the act of 1904, permitting extreme heights

of 125 and of 80 feet, respectively, the districts to be known as A, B and C.

The **Freeholders insurance company** of Topeka, Kan., has begun a fire, tornado and plate glass business in Kansas and adjacent States with a capital stock of $200,000, subscribed at $115 per share cash. Mr. George A. Bailey, formerly with the Phœnix at Chicago, is the general manager of the new company.

The **fire department** committee of **Salem, Mass.,** will give attention to the criticism of the underwriters that the city needs more fire apparatus, which is also true of the neighboring town of Peabody. The Salem council has voted to buy a new combination wagon and a new steamer, as asked for.

The Provident Savings Life insurance company has filed in the Circuit Court at St. Louis, Mo., its **answer to the suit of Mrs. Appoline M. Blair** for $20,000 on the life of the late James L. Blair. The answer claims that the policy was obtained by fraud and misrepresentation.

The **Tennessee legislative committee** to investigate fire insurance rates in that State and recommend changes in the insurance laws if necessary, has been on a visit to Atlanta and interviewed the Southern department managers there, getting lots of valuable information.

A **hustling young lady** insurance agent of Cincinnati who is making an enviable record in the office of Manager George G. Brown, of the General Underwriting Company, in that city, has printed on her cards: "Miss Catherine B. Chamberlain, the Burglary Girl."

Policyholders in the **Scandia Mutual Life** of Illinois have sent a communication to Governor Deneen asking him to investigate the recent consolidation with the Scandia Life insurance company. The legality of the consolidation by a roll call is questioned.

The **fire insurance agents of Brockton, Mass.,** have circularized the companies to the effect that they ought to receive a 5 per cent. commission on property of street railway lines in that city, which is now written over their heads by a Chelsea agency.

Dr. Osler should cheer up and use "Puffy's Pure Malt Whiskey." Pictures of "dear old souls," aged from 100 to 150, with all their faculties intact, thanks to Puffy, appear in his veracious whiskey ads in the newspapers.

A Madison special in the *Journal of Commerce* announces the departure of **Commissioner Host** for New York to try his **suits for libel** against several New York papers, the cases being ready for trial.

The **body of W. G. Catlin,** special agent of the Royal Exchange, who was drowned while duck shooting off Georgetown, S. C., last month, was recovered last week and interred at Danville, Va.

Authority to begin business was granted last Tuesday by the Massachusetts Insurance Department to the **American Birth insurance company,** mentioned in last week's issue.

The **Germania Fire of New York** has **retired permanently from Arkansas** and reinsured its business in that State in the Hartford Fire. Sumner Ballard was the intermediary.

The Mutual Life of New York has been awarded the **million dollar bond issue** put out by **Salt Lake City** to install a new water conduit and sewer system.

The **German Fire of Wheeling,** W. Va., will close on March 15 the subscriptions to the increase of the company's capital stock from $100,000 to $200,000.

Personal.

AGENCY APPOINTMENTS.

Aachen and Munich: Dean A. Baldwin, special agent; H. W. Murray, general agent for Illinois and Kentucky.

Calumet: Fred S. James & Co., metropolitan district, New York city.

Citizens of St. Louis: E. C. Price, special agent for Illinois at Chicago.

Citizens Life of Louisville: A. K. Williams, manager at Dallas, Tex.

Connecticut General: B. L. Lewis, manager for Southern Ohio at Columbus.

Continental: A. L. Myrick, special agent for Eastern Kentucky at Lexington.

Eagle: Moore Brothers & Sawyer, Minneapolis, Minn.

Empire State Surety: Starkweather & Shepley, Providence, State agents for Rhode Island; John O. North, New Haven, State agent for the greater part of Connecticut; Shaw & Nicholson, Bridgeport, agents for Litchfield and Fairfield counties.

Fidelity Mutual Life: J. W. Lynch, manager for Kentucky and Louisville.

Girard Fire and Marine: Albert G. Hancock, Baltimore, Md., general agent for West Virginia.

Home Life: G. B. Sherman, formerly in the service of the Equitable in Brooklyn, is appointed general manager of the New England department of the Home, with headquarters at Boston.

London Assurance: Garnett M. Beattie, special agent for Kentucky, Tennessee, Mississippi and Louisiana, at Memphis, Tenn.; Robert C. Harrison, special agent for South Carolina, Georgia, Florida and Alabama, at Atlanta.

New York Underwriters: Elmer A. Lord, Boston, transferred from Frank H. Stevens. The new incumbent, hitherto principally known as a casualty agent, will assume his new duties on April 1.

Phœnix of Hartford: R. E. Mackintosh, special agent for Iowa at Des Moines.

Queen: W. A. Groyer, Indianapolis, Ind.

Washington Life: Henry J. Frees, general agent for Missouri at St. Louis.

Western of Pittsburgh: Simpson & Ide, Boston, managers for New England. The company is now doing business in Massachusetts, Rhode Island and Connecticut. Its Boston local agency has been transferred from R. S. Hoffman & Co. to Simpson, Ide & Co.

Mr. Edward Baumer, recently appointed manager of the Sun Fire Office of London and previously secretary, entered the service of the Sun Fire on February 17, 1854, fifty-one years ago, and has been with the company ever since. He is still in his prime and it seems more than likely that ten or a dozen years hence his abilities as an underwriter will still be available to that institution. On his anniversary with the company, February 17 last, he was presented with a handsome silver service and tray properly inscribed, and the officials of the company likewise made his wife a present of a gold necklace and pendant.

Mr. Daniel F. Appel, who has made an enviable record in the service of the New England Mutual Life, was elected secretary of that company the 2d inst., in place of the late S. Franksford Trull. Mr. Appel first served the New England Mutual Life as its general agent for Indiana from 1885 to 1895, and for the past ten years has been its superintendent of agencies. He will keep in touch with the agency field in his new position, and will undoubtedly broaden its duties and influence considerably.

Mr. Charles B. Gilbert has resigned as manager of the United Underwriters' Agency of Chicago, made up of the Farmers and Merchants, the German of Indiana and the National of Allegheny. He becomes vice president of the Calumet Fire of Chicago. Considerable interest attaches to the succession as manager of the United Underwriters, as it is understood that there may be some changes if the new manager is not entirely suitable to all the companies.

Mr. B. F. Stevens, president of the New England Mutual Life, celebrated his eighty-first birthday in perfect health and spirits last Monday. His desk was profusely decorated with floral offerings from the staff of the home office. Although Mr. Stevens is the oldest man, in point of service, in the insurance world, yet he takes as active an interest in the affairs of the company as he did thirty years ago.

Mr. A. F. Shaw, of the Chicago general agency of Hall & Henshaw, has bought out his partner's interests and will continue the business him-

(*Personals continued on page 228.*)

PROFESSIONALISM IN LIFE INSURANCE

By John H. Robinson, General Agent of the Berkshire Life Insurance Company.

The yellow light of newspaper publicity has been directed strongly of late upon the business of life insurance, and there have come developments more or less sensational among certain well known companies. It is not to be feared, however, that the business will suffer to a very great extent. The tendency, if any, will be to eliminate conditions that were obstacles in the path of progress and some good will result. The advertising that the business has received, though aimed to hurt it, has rebounded to its advantage, revealing it to be sound and substantial. One thing else is gradually being accomplished: the insuring public from now on will show a tendency to ascertain more definitely and thoroughly than ever before concerning the conditions under which its trust funds are annually paid over and accumulated by the management of the life insurance companies. This information will not be sought from the columns of the daily press, nor can it be obtained at all times from those who hold high places in the insurance world. It must come from the men with whom the public is in daily contact, the personal writers, and they must prove themselves equal to the emergency.

Dissatisfied policyholders and disappointed beneficiaries are strong hindrances to the business. In most cases the misunderstandings arise through ignorance or carelessness on the part of the insured as to the kind of protection he needs, and, on the other hand; through the malpractice of the agent writing the policy, who, if he be of the "chain lightning" class, cares more for his personal record and present advantage than he does for the future satisfaction of the purchaser, or the welfare of the business in general. The natural desire of the agent to write a large amount of business for personal reasons fogs his perceptions to some extent as to the best interests of his client and his company as well, though there are many men in the business broad minded enough to maintain an outlook in all three directions.

It is but proper that a person who contracts to invest annually for insurance sums of money, which will amount in the aggregate to thousands of dollars, should be fully advised as to his expenditure; whether he will receive an adequate return for the money expended; whether his interests and those of his beneficiary are thoroughly safeguarded, and last, but not least, if the policy contract, including the fine print of the application, is just and fair. It does not follow that a mere tyro in the life insurance business, who is here today and God knows where tomorrow, can offer intelligent advice or counsel on these subjects.

The day is past when life insurance writing was regarded as an easy way to make money, and the attitude occasionally assumed, that a man of ordinary capacity and no capital can make a good living, cannot be too much discouraged. The experience of hundreds has proven it false. What the business wants is men with large capital, of brains and principle; men who are willing to work; men of infinite resources and dogged persistence to withstand the insidious attacks of unscrupulous schemers; men at the helm who will not lend their sacred trust to the devices of greed, of the "get rich quick" order.

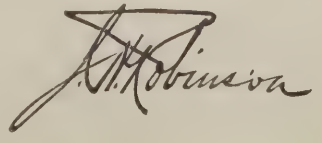
The former master of the paper tape or the pen fails to qualify unless he has fitted himself for his newly chosen field by a proper apprenticeship and a thorough study of its fundamental principles. That such preparation is now being widely recognized as necessary is seen in the establishment of special schools for the purpose, some under company supervision and one under correspondence methods by private enterprise. It is further in evidence in the special courses of lectures given at Yale and the University of Pennsylvania, though these are of a more general character.

It is an easy matter to become enthusiastic over life insurance as a profession under the genial influences of a social gathering of business associates, but it is quite another thing, as every agent knows, to apply the principles of professionalism to the calling and stick to it day after day amid the stress of modern competition and methods.

In one way the legal and medical professions have a less difficult problem to deal with. The practitioner at law or medicine is usually *asked* to advise and readily obtains the confidence of his clients, because the public know that in either profession it has required long years of study and preparation to obtain the knowledge and skill. Furthermore, the law provides for relief by severe penalties on account of professional ignorance and malpractice. The State, too, makes some attempts to weed out and stop the charlatan or quack.

A life agent's State license to practice is as easily obtained as a theatre ticket, and requires as little preparation for the one as for the other. It naturally follows that the business as a profession has a very strange and diversified following. Perhaps there is too much of the doctrine of *caveat emptor* in the present methods of the business. Certainly the insuring public have not held all engaged in the work to a very strict accountability. The majority of the policy contracts now in force deprive the policyholder of the right to an accounting, so far as the company is concerned.

In this day knowledge is power. It is the man who knows how who succeeds. In the life insurance business knowledge and truth are usually in harmony; cunning and deception very often do succeed, but the business is as solid as the rock that Moses smote in the wilderness, from which came the life giving stream to nourish the multitude.



(*Continued from page 226.*)

self as representative of the Union of London, Law Union and Crown, State Fire of Liverpool, Northern of London and the burglary department of the Fidelity and Casualty. He will also continue the old firm's surplus line brokerage business.

Mr. A. E. Forrest, secretary and manager of the North American Accident Company of Chicago, will sail for England on the Baltic March 29. He goes principally to look over the new English branch of his company, established last year, which is writing health and accident insurance on the industrial plan. Its extension to Ireland and Scotland will be considered.

Mr. Calvin Sage, one of the oldest local agents in Ohio, died March 2 at Wellington, Ohio, after a long illness, at the age of seventy-two. He was father of W. H. Sage, Western manager of the German-American. Mr. Sage had been a local agent at Wellington for over twenty years.

Messrs. Scott, Alexander & Talbot, New York, metropolitan managers of the Ætna of Hartford, at 52 Pine street, will remove to the North River Fire's new building, No. 95 William street, some time between April 15 and May 1, and will occupy the ground floor.

Dr. S. M. Pearman, formerly with the New York Life and the Equitable Life, will soon open an extensive liability agency in Chicago, which will write for the Travelers. This plan will not interfere with the already established agency of Phister & Wright.

Mr. Roger B. Friend, recently appointed assistant general agent of the Providence-Washington for the Pacific Coast, died at San Francisco, February 22, aged thirty-one years. He was a son of W. H. Friend, former secretary of the Sun of San Francisco.

Mr. M. S. Moore has been appointed resident secretary of the Equitable Fire and Marine insurance company of Providence, R. I., at Chicago, Ill., succeeding J. J. Mayberry, who is under indictment there on a charge of embezzlement.

Superintendent William A. Anderson, of the New York Board of Fire Underwriters, is seriously ill at his home as the result of a fall several days ago in which he injured his spine slightly.

Mr. J. T. Bowen has resigned as vice president of the Surety Underwriters' Association of Chicago. He was Chicago manager for the City Trust, which has reinsured in that field.

Mr. Henry Risborough Sharman, editor of the London *Insurance Guardian*, a gentleman widely known in the British insurance world, died February 20, aged seventy-six years.

Mr. W. L. McSpadden, of the Knoxville, Tenn., agency firm of Hickman & McSpadden, died of pneumonia at his home in Knoxville on March 6.

Mr. William B. Kelly, for many years the general manager of the American Fire insurance company of Philadelphia, has resigned.

Mr. C. L. Easton has resigned as special agent of the Aachen and Munich for Minnesota and Wisconsin from April 1.

Mr. Charles F. Leib, of the Harrisburg, Pa., insurance firm of Frank R. Lieb & Son, died of typhoid fever March 4.

Insurance Commissioner Host, of Wisconsin, is in New York to try his libel suits against several newspapers here.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

United States Congress.

WASHINGTON, D. C., March 3.—Representative Wachter, of Maryland, introduced in the House, by request, a bill to amend the code of the District of Columbia, as follows:

Each and every life insurance company doing business on the level premium or old line plan in the District of Columbia shall deposit with the Register of Wills, within thirty days after the passage of this act, United States Government bonds of the par value of not less than $100,000.

Provided, however, That nothing contained herein shall interfere with or abridge the rights of any association incorporated by special act of Congress.

Arkansas.

LITTLE ROCK, Ark., March 4.—Following is the text of Senate Bill No. 252, by Mr. Milan, which is a bill for an act to define the conditions upon which fire insurance companies can do business in Arkansas:

Sec. 1. That all fire insurance companies organized in this or any other State or Territory desiring to do business in this State and are not members of a pool, trust or rating bureau anywhere, the purpose and intent of which is to fix the price or premium to be paid for fire insurance in this State, may do business in this State, provided that all other laws concerning the regulation of fire insurance companies now in force are complied with.

Sec. 2. That all laws and parts of laws in conflict herewith be, and the same are, hereby repealed, and that this act take effect and be in force from and after its passage.

LITTLE ROCK, Ark., March 8.—A large delegation appeared before the joint session of the Legislature today to urge the repeal of the King anti-trust law. A committee also waited on Governor Jeff Davis and asked him to send a message to the Legislature directing the repeal of the extra-territorial clause of the law. This he refused to do, and announced his intention to veto any relief measure. The Ætna Indemnity and National Surety companies have given notice that they will withdraw from the State of Arkansas on March 23.

California.

SAN FRANCISCO, Cal., March 3.—Mr. Hartman's House Bill No. 734, an anti-compact measure, was defeated in the House today by a vote of 54 to 10.

Connecticut.

HARTFORD, Conn., March 7.—There was a large attendance of fire insurance men this afternoon at the Capitol when the insurance committee had before it a bill which would take away from the companies the right to make rates and give it to the agents, with the insured having the right of appeal to the Insurance Commissioner if he deems the premium rate too heavy. Nobody appeared in favor of the bill, which is as follows:

All fire insurance rates or tariffs demanded by fire insurance companies doing business in this State for insuring property owned and located in this State, shall be made by the insurance agents located in this State, and not in other States; and in case the owners of such property feel aggrieved by such tariff or rates, they may appeal to the Insurance Commissioner, who shall have power to correct the same.

Representative Walter H. Clark, of this city, introduced the bill at the request of F. H. Whittelsey, who, it is said, has had some differences with fire insurance companies regarding the insurance on his paper mill at Windsor Locks. One of the speakers against the measure said that Mr. Whittelsey had been promised a reduction in the rate on his mill if he made certain improvements. He made many of the changes but objected to making others. President Skilton, of the Phœnix; President Nichols, of the National; Vice President Charles E. Chase, of the Hartford, and Assistant Secretary Adams, of the Ætna, with Lucius F. Robinson, a director of the Connecticut, opposed the bill. They declared that the agents did not have the necessary data to determine proper rates, and that they lacked the experience to do it. Fire Commissioner E. R. Beardsley and F. F. Small, local fire agent, said that agents did not want the responsibility given them. Insurance Commissioner Upson deemed the bill an absurd piece of contemplated legislation, and said that if the measure was adopted he would want an appropriation of from $50,000 to $100,000 as a starter in the work of adjusting rates for the dissatisfied insured. An adverse report on the measure is expected.

Lucius F. Robinson appeared before the committee in support of the bill which will permit the State Treasurer to return securities to life insurance companies which have been deposited to secure policyholders when they are no longer required by the State which has caused their deposit. Mr. Robinson explained that a few States required life companies doing business therein to make a deposit with the Treasurer of the State in which the company has its home office. The State Treasurer now had no authority to surrender the deposit even if the State amended or repealed the law. There was no opposition to the bill.

The bill concerning the reserve funds of surety insurance companies, providing that the reserve shall be 50 per cent. of the

gross premiums received on business in force, was passed by the House.

Idaho.

BOISE, Idaho, March 4.—House Bill No. 233, by the Insurance Committee, prohibiting rebating, and Senate Bill No. 113, by Mr. Nugent, relating to surety companies, have passed both houses.

Indiana.

INDIANAPOLIS, March 8.—The Legislature has adjourned, after passing four insurance bills, as follows: Admitting foreign mutual fire insurance companies with $50,000 cash assets and $100,000 premiums notes; widening the class of investments for casualty, health and accident companies; allowing Indiana companies to invest in the bonds of other countries, where they are doing business, and increasing the class of investments that may be submitted as assets by all foreign insurance companies.

All bills except the above failed, including that to create a commission to fix fire insurance rates and the codification commission bill on private corporations.

Illinois.

SPRINGFIELD, Ill., March 4.—Senate Bill No. 132, introduced by Mr. Mueller, referred to the Committee on Insurance, amends the anti-rebate law in reference to penalties for violating its provisions.

CHICAGO, Ill., March 7.—The usual anti-compact bill directed against combinations of fire insurance companies for the making and maintaining of rates has been introduced by Mr. Loy.

Kansas.

TOPEKA, Kan., March 2.—The House in committee of the whole amended Mr. Husey's insurance bill, House Bill No. 224, to prohibit insurance rebates, and recommended it for passage.

The original bill prohibited life insurance agents from dividing their premiums with applicants for policies, as often is done. The word "life" was stricken out, making the measure apply to both life and fire agents. The bill exempted fraternal concerns from its provision, but the exemption clause was stricken out.

The penalties for the violation of the act are severe. A guilty agent shall be fined from $100 to $1,000. A company which permits rebates shall be fined from $300 to $1,000.

Maine.

AUGUSTA, Me., March 7.—The Senate almost unanimously voted to accept the majority report of the committee on mercantile affairs and insurance of "ought to pass" on the bill to repeal the arbitration clause in the Maine standard fire insurance policy. The bill was then passed to be engrossed with an amendment which provides that the bill shall not apply to life insurance companies.

Massachusetts.

BOSTON, Mass., March 6.—Without debate this afternoon the Senate ordered to a third reading the House Bill No. 177, to authorize cities and towns to establish municipal insurance funds.

The House this afternoon, without debate, accepted the adverse report of the Committee on Banks and Banking, on the petition, with House Bill No. 766, of Charles I. Pierce, and another for legislation relative to the investment of funds of life insurance companies and savings banks.

BOSTON, Mass., March 7.—Senator Cummings had postponed to next Monday House Bill No. 177, to authorize cities and towns to establish municipal building insurance funds.

BOSTON, Mass., March 8.—The Committee on Insurance reported leave to withdraw on the petition of Mark N. Skerrett for a law to require annual distribution of the profits of life insurance companies.

Minnesota.

ST. PAUL, Minn., March 7.—House Bill No. 499, by Mr. Wyman provides that every life insurance company or corporation doing business in this State upon the principle of mutual insurance, or in which company the policyholders or members are entitled to share in the surplus funds thereof, shall make distribution and payment among its policyholders or members in this State of such surplus as it may have accumulated, such distribution to be made in accordance with the provisions of their several charters, and at least once in every five years from and after June 1, 1905.

The bill was referred to the Committee on Insurance.

Missouri.

JEFFERSON CITY, Mo., March 6.—The bill repealing the coinsurance law was reported favorably by the House committee, but so far the House has not acted upon it. The committee reported favorably on the fire marshal bill and killed the bill forbidding the advisory fire insurance rate book.

JEFFERSON CITY, Mo., March 7.—House Bill No. 546, abolishing the tax on reinsurance premiums, passed the House today.

Montana.

HELENA, Mont., March 4.—The Legislature has adjourned. No bills affecting insurance were passed.

Nebraska.

LINCOLN, Neb., March 3.—House Bill No. 207, introduced by Mr. Clarke, and referred to the Committee on Judiciary, provides that any person may be made a defendant who has or claims an interest in the controversy adverse to the plaintiff, or who has contracted to indemnify any defendant against liability, loss or damage arising therefrom, or who is a necessary party to a complete determination or settlement of the question involved therein.

New Mexico.

SANTA FE, N. M., March 4.—House Bill No. 139, introduced by Mr. Wilkerson, and referred to the Committee on Insurance, provides that hereafter no insurance company, in case of total loss of any property insured, shall be permitted to dispute or question the value of the property insured, but shall be deemed and held liable for the full face value of the policy of insurance issued for or upon said property.

New York.

ALBANY, N. Y., March 8.—Representatives of the regular life insurance companies in force, notably the New York Life and the Mutual Life, appeared before the House Committee on Taxation today in opposition to House Bill No. 516. They made out a

strong case. R. H. Hardy, representing the Mutual Life, said that 70 per cent. of insurance premiums were already taxed through transfer of property. He also said that insurance companies were now paying out thousands of dollars to support the State Insurance Department. The hearing will be continued next Tuesday.

ALBANY, N. Y., March 6.—After a long debate tonight the Senate referred to the Insurance Committee the Marks resolution, empowering the Judiciary Committee to inquire into the surplus of life insurance companies and to frame legislation on the subject. The Senate passed Mr. Brackett's bill, No. 267, requiring life insurance companies to embody in the policy all the terms of the contract.

Mr. Whitney tonight introduced House Bill No. 933, requiring every life insurance company, whether domestic or foreign, at least sixty days before its annual meeting, to file annually with the Superintendent of Insurance a complete list of the names of its policyholders, with the amount of policy in each case and time when issued. A refusal to comply with the act shall in the case of a foreign corporation result in the revocation of its certificate of authority to do business in this State, and in the case of refusal on the part of a domestic corporation the Attorney General shall prosecute an action to dissolve the corporation.

Mr. Foelker introduced House Bill No. 930, providing that every domestic life insurance company shall ascertain annually the proportion of surplus accruing to each policy from the date of the last to the date of the next succeeding premium payment according to the value to be ascertained as laid down in the Insurance law (Sections 84 and 86), and shall distribute 90 per cent. of any such surplus funds in cash in ratable proportions among its policyholders equitably, according to the length of time the policy shall have run, and according to rules for that purpose which shall be prepared and promulgated by the Superintendent of Insurance within ninety days after the passage of this act. A copy of these rules must appear upon every life insurance policy hereafter issued by domestic companies.

Each policyholder and holder of an annuity bond in any life insurance company of this State, whether a stock or a mutual company, shall be entitled to vote either in person or by proxy at every election for directors or officers, and upon every proposition affecting the general policy of the company upon which stockholders are now permitted to vote, and shall be entitled to cast one vote for each $100 which shall have been invested by such policyholder by way of premium, or deposited, or payment made for annuity bonds more than six months before the time fixed for such election.

ALBANY, N. Y., March 7.—Mr. Brackett today introduced Senate Bill No. 588, requiring life insurance corporations to file annually with the Superintendent of Insurance a complete list of the names of policyholders. The bill is the same as that introduced last night by Mr. Whitney in the House—House Bill No. 933.

ALBANY, N. Y., March 10.—There is much speculation as to the prospect of passage of the committee bill now before both Senate and Assembly, taxing the gross premiums of fire and life insurance companies. Even though it is regarded as a party measure that fact does not altogether render it certain that the legislative program may not be changed later on, with the result that the insurance tax bill may fall by the wayside. However, those back of it assert that there is no question of its passage and enactment into law within a month at most.

Senator Marks' insistence in trailing the life insurance companies is provoking considerable comment. His bill, just introduced, to compel such companies to file with the Insurance Superintendent a statement as to how their unassigned funds or surplus are invested or used, has been referred to the Codes Committee of the Senate. He expresses the belief that the committee is likely to show more consideration for the measure than it would be apt to receive at the hands of the Senate Insurance Committee. But few legislators expect, however, that the bill can pass, even though it is reported out of committee.

North Carolina.

RALEIGH, N. C., March 6.—The Legislature has ended its session and the following shows the fate of the various insurance bills before it:

The bill providing for an increase of the amount of insurance on State property to $1,500,000, the premiums not to exceed $10,000 annually, passed, and has been ratified.

The bill designed to knock out the South Eastern Tariff Association was tabled.

The bill to exempt purely mutual companies from paying tax was tabled.

The contingent commission bill, introduced at the instance of the home fire insurance companies, passed.

The fire waste bill passed, with an amendment allowing cities and towns until next July to adopt its provisions or not, as may seem best to them.

The bill requiring fire escapes to be placed on all public institutions and on all public buildings, whatever character, passed.

The bill allowing the town of Monroe to tax insurance agents doing business there passed.

The bill authorizing fire insurance agents in this State to allow agents outside of the State to have 5 per cent. commission on the business controlled by them, Senate Bill No. 285, by Mr. Ellis was passed, this being done to cover the vast properties of the American Tobacco Company, so that agents here who write this business can give the 5 per cent. to the brokers in New York and other places controlling the lines of companies insuring the properties.

One bill, aimed directly at the insurance trust, known as "The South Eastern Tariff Association," is to be put before the public by its promoter, Attorney A. J. Field, of Raleigh, who says he will take occasion before the next Legislature meets to have information regarding the trust disseminated throughout North Carolina.

RALEIGH, N. C., March 7.—The general insurance law of North Carolina was amended at the recent session of the Legislature by the following provisions:

Allowing a division of commission to the amount of 5 per cent. with non-resident agents where they have applied for and received license, to cost $3, as non-resident brokers from the Insurance Department. This is a modification of the resident agents clause of 1903.

Prohibiting insurance companies or combinations from requiring agents in North Carolina to sign a commission pledge.

Allowing life insurance companies to deposit the amount of the reserve on policies with the Insurance Department, and to have a certificate to this effect indorsed on each policy issued by them.

For the protection of policyholders of life companies engaged in other kinds of business, requiring that the reserve shall be held as a special fund for the protection of the policyholders and not liable for any other obligations arising out of such other financial transaction or business.

A bill to provide fire escapes and protect human life in public buildings, hotels, or other structures where people congregate, exceeding two stories passed the Senate but failed in the House. This bill was smothered, it is said, by one member. Its history would be interesting, and the House would certainly have passed it had the opportunity been given (Bulletin 1343, 1353, 1369).

Pennsylvania.

HARRISBURG, Pa., March 3.—The Senate finally passed tonight, by a vote of 32 to 0, Senate Bill No. 98, introduced by Mr. Brown, of Philadelphia, which regulates fire insurance companies and policies.

Tennessee.

NASHVILLE, Tenn., March 7.—Senator Fouts today introduced a bill to require insurance companies to attach to each policy a detailed statement of rates, including the basis, rate and each additional deficiency of the risk, and the rate charged therefor, making up the total rate. Upon failure to do this the company must pay to the assured a sum equal to the premium on such policy.

NASHVILLE, Tenn., March 8.—Senator Templeton today introduced a bill amendatory to the State insurance law making it a misdemeanor for agents to make rebates by providing that as a part of the judgment of conviction for granting such rebates the agent so convicted shall forfeit his license.

Texas.

AUSTIN, Tex., March 8.—The bill, of which Mr. Bowser is the author, taxing life insurance companies 1½ per cent. on their gross receipts, and all other insurance companies doing business in Texas 1 per cent. on their gross receipts, House Bill No. 12 was passed to engrossment in the House and will be taken up for final passage this week. A strong fight will be made on the bill in the Senate, and its final passage is doubtful.

None of the other insurance bills have been passed finally.

Washington.

OLYMPIA, Wash., March 6.—The House today passed the Insurance Committee's substitute, House Bill No. 22, forbidding the granting of rebates or the payment of commissions to other than authorized agents by life insurance companies. A maximum fine of $500 is provided for any company violating same. The acting officers or agents are made liable for a fine of same sum or imprisonment up to six months. Fraternal associations or societies are exempted.

Wisconsin.

MILWAUKEE, Wis., March 8.—Senator Frear has introduced a resolution in the Senate providing for the appointment of a commission of three senators to investigate the subject of life insurance and prepare a report to submit to the next Legislature. In his resolution Mr. Frear says that astounding business conditions have been disclosed in the management "of certain non-resident" life insurance companies, "whose surplus earnings are used in exploiting trust companies and stock jobbing ventures." The Senator claims that governmental insurance has been found safe, cheap and free from oppressive conditions, and asks that a committee of three be appointed "to investigate the practicability of the successful operation of Government and State life insurance." The resolution has been passed without opposition.

Official Reports.

New York Fire Insurance Report.

The first part of the forty-sixth annual report of the Superintendent of Insurance of the State of New York was issued this week by Superintendent Hendricks. The following are extracts:

Table No. IX is an exhibit of the business done in New York by the joint stock fire companies of this and other States and countries, and by the mutuals of this and other States.

The fire premiums received were $35,505,799.91; fire losses paid, $19,511,079.52; fire losses incurred, $19,301,537.98; showing an apparent net excess of fire premiums received over fire losses incurred of $16,204,261.93.

The estimated expense for the transaction of this business is $11,835,266.64, which, if added to the incurred losses, makes a total of $31,136,804.62. On this basis the excess of fire premiums received over fire losses incurred and estimated expenses is shown in the following classified exhibit:

COMPANIES.	Excess of fire premiums received over fire losses incurred and estimated expenses.
New York State	$1,780,655.54
Other States	1,549,927.97
Other countries	1,038,411.78
	$4,368,995.29

The amount of fire risks written in 1903 was $4,370,774,882; in 1904, $4,572,597,504, an increase of $201,822,622. The amount of marine and inland risks written in 1903 was $506,623,127; in 1904, $478,097,998, a decrease of $28,525,129.

COMPANIES AUTHORIZED.

Table No. X gives a complete list of all the fire, fire marine and marine insurance companies entitled to transact business in this State, arranged in alphabetical order, with the names of their officers. The total number of companies shown in this list is as follows:

	Fire and Fire Marine.	Marine.
New York joint stock	44	1
Other States' joint stock	68	1
New York mutual	5	1
Other States' mutual	1	..
Foreign joint stock	32	12
Totals	150	15

GENERAL SUMMARY.

At the close of the year 1904 the fire, fire marine and marine insurance companies doing business in this State were possessed of $403,071,557 of admitted assets, not including assets held abroad nor premium notes of mutual companies, an increase of $16,990,111 as compared with 1903. The liabilities of these companies, excepting scrip and capital, were $214,286,916, an increase of $14,060,299 over the return of the preceding year. The income was $249,598,077, and the disbursements were $232,330,233, an increase, as compared with 1903, of $24,598,410 in income, and an increase of $39,832,107 in disbursements. The whole number of companies reporting in 1904 was 165, being three less than in 1903.

BUSINESS OF 1903 AND 1904 COMPARED.

The following table shows a comparison of the business of 1903 with the business of 1904, viz.:

NEW YORK JOINT STOCK FIRE COMPANIES.

	1903.	1904.
Number of companies	46	44
Assets	$109,551,460	$113,785,890
Liabilities, except capital	50,933,941	53,329,577
Capital	18,550,000	18,850,000
Surplus	40,067,519	41,606,312
Premiums written	53,963,875	55,573,885
Total income	59,466,872	61,450,393
Losses paid	25,554,708	33,821,819
Dividends paid	2,569,547	3,030,927
Total disbursements	48,403,340	57,821,479
Risks in force	7,861,129,185	8,152,849,797

JOINT STOCK FIRE COMPANIES OF OTHER STATES.

	1903.	1904.
Number of companies	68	68
Assets	$171,523,951	$179,389,677
Liabilities, except capital	85,769,799	93,354,263
Capital	37,552,875	37,475,375
Surplus	48,201,277	48,560,039
Premiums written	86,633,221	95,834,499
Total income	94,291,743	104,351,944
Losses paid	42,604,127	57,346,152
Dividends paid	4,554,878	4,503,678
Total disbursements	80,582,713	97,850,729
Risks in force	10,832,776,028	11,869,223,627

FOREIGN FIRE COMPANIES OF OTHER COUNTRIES—UNITED STATES BRANCHES.

	1903.	1904.
Number of companies	33	32
Assets	$82,790,764	$86,772,292
Liabilities	49,794,682	52,885,801
Excess of assets over liabilities	32,996,082	33,886,491
Premiums written	55,935,772	60,983,308
Total income	59,935,659	72,664,313
Losses paid	28,675,184	39,927,657
Total disbursements	53,232,502	66,396,657
Risks in force	7,306,324,600	7,828,899,430

LOSSES AND INCREASES, 1904.

The past year was an unusually severe one upon the fire companies as shown by this report, due principally to the heavy losses incurred on account of the conflagrations in Baltimore, Toronto and Rochester. The losses paid as compared with those of the preceding year were some $35,000,000 greater. The fact that all of the companies, with the exception of a few small Maryland companies, were in condition to and did promptly and fully pay for these losses clearly demonstrates the wisdom of the prudent and conservative policy, followed in recent years, of accumulating sufficient and ample surplus funds.

Notwithstanding the fact that these extraordinary losses would naturally result in a depreciation of the assets and surpluses of the various companies affected, the statements of those reporting to the department show a fairly good increase in both assets and surplus in consequence of the very great advance in the market value of their securities. Underwriting losses, in instances exceeding $200,000 for a single corporation, are disclosed by an examination of the reports of some of the larger companies.

LLOYDS ASSOCIATIONS.

In my report of last year to the Legislature I referred to the unsatisfactory condition of the law governing the so called Lloyds associations, and therein made suggestions as to what I considered appropriate and necessary legislation relative thereto.

A bill has recently been introduced in the Legislature on behalf of many of these so called Lloyds associations aiming to establish into law the most important of my recommendations, the principal one of which compels all of these associations to maintain reserve funds equal to their liabilities and to their unearned premiums on policies in force the same as legally incorporated companies. Inasmuch as this bill establishes a proper standard of solvency for this class of associations and gives to this department proper supervisory control over them, I consider it my duty to approve of the same and to commend it to the favorable consideration of the Legislature.

RECOMMENDATIONS.

In my last two annual reports to the Legislature I recommended the repeal of Article VI of the Insurance Law so far as it relates to the organization or admission into the State of co-operative or assessment corporations, and I again renew such recommendation. There can be no reasonable doubt but that the practical operation of this class of companies in this and other States clearly demonstrates that they have passed their days of usefulness.

They cannot secure the requisite new membership to give them perpetuity and the strength which exists in fraternal associations, controlled by an entirely separate article of the Insurance Law, is absolutely lacking in corporations of this character.

I desire to further call the attention of the Legislature to a proposed amendment to Section 52 of the Insurance Law, and respectfully request its favorable action thereon.

As construed by the Attorney General, the said section limits amendments to the charters or certificates of incorporation of domestic insurance corporations to "any statement or matter which might have been originally inserted therein," and does not thereunder permit them to avail themselves of amendments to the law enacted since their organization. While such increase of powers is permitted by amendment under Section 32 of the Stock Corporation Law, it is deemed more appropriate to have the complete procedure contained in the general insurance law. By the proposed amendment, the additional matter added to said section by Chapter 722, Laws of 1901, permitting assessment life associations to reincorporate as regular life companies, is eliminated; provision being made, however, to safeguard such associations as may have availed themselves of the benefits of said act of 1901.

EQUITABLE LIFE.

The publicity attendant upon the movement to transform the Equitable Life Assurance Society from a corporation, the management of which is in the control of the shareholders, to one in which the voting power is also vested in the policyholders, makes it appropriate, if not essential, for this department to outline its views upon the subject which is of so great an interest, not only in this State, but in every part of the United States and throughout the world.

This company was organized in 1859 under the general life insurance law (Chapter 463, Laws of 1853), which required that every such company should have a capital stock of at least $100,000. This was obviously intended as a protection to the policyholders during the inceptive period of the company's existence against financial danger. It was never contemplated that this amount of capital stock should become the arbitrary owner of the interests and property of the holders of policies issued on the mutual plan, especially when the company should deliberately adopt the mutual policy plan almost exclusively as the Equitable did at the very outset.

The recent action of its board of directors declaring its opinion that the right to vote for directors should be given to the policyholders has excited deep and widespread interest. Their action is as yet incomplete, a committee having been appointed to arrange the details for carrying the plan of mutualization into effect, to be passed upon at a subsequent meeting of the directors; but the public information of the agreement that such action is to be taken has given general satisfaction.

Inasmuch as the directors have committed themselves to this praiseworthy course, it is not necessary at this time for this department to interfere, but I deem it of the first importance to the company itself as well as to its policyholders and to the public that the steps inauguarted should be prosecuted with all possible expedition, and that the desired result should be secured without qualification and limitation, so that whatever agitation and uncertainty exists to disturb the minds of the policyholders and intending applicants, should be set at rest. As long as the matter remains unsettled, however, now that it has been publicly raised, disquiet and unrest will continue.

No legal difficulty appears in the way of immediate final action. The property rights of the stockholders are limited by the charter to an interest dividend of 7 per cent. per annum. The exercise of the present power to elect directors by the stockholders constitutes an important and responsible trust, which has, legally speaking however, no money value.

Besides the express power conferred upon its directors contained in Article IV of its articles of incorporation, it is clear that under Section 52 of the Insurance Law the directors may, by a majority vote, order the filing of an amended charter carrying out proper plans of mutualization. This power to so amend under said section of the Insurance Law was exercised and the privilege more liberally extended to the policyholders to vote in the elections of its directors, notably in the case of the Germania Life insurance company, which was organized in 1860 under the identical law under which the Equitable was incorporated.

Said amendments in the direction of mutualization were adopted by the directors of the Germania Life insurance company and the charter as amended filed in this department according to law, having been approved by the then Attorney General of the State on May 29, 1901.

The feasiblity of such a step has therefore been demonstrated. Its justice and wisdom are beyond question.

Miscellany.

Argument of William A. Fricke Before the Wisconsin Assembly Committee on Insurance in Opposition to the Bill Taxing Net Values of Life Insurance Policies in Force.

Dr. William A. Fricke appeared before the Assembly committee of the Wisconsin Legislature on March 2 in reference to the following bill (Assembly No. 434):

Sec. 1. Every domestic and foreign company or association, which is engaged, by its officers or by agents, in the business of life insurance within this State shall annually, on or before the 10th day of May, make a return to the State Board of Assessments, signed and sworn to by its president and secretary, giving the number, date and class of the policies held by residents of this State, the age of the assured life and the aggregate net value of each group requiring a separate computation to determine their net value and the combined aggregate, and shall on or before the 1st day of August in each year pay a license fee of three-fourths of 1 per cent. upon the net value of all the policies in force on the preceding 31st day of December, issued and assumed by such company and held by the residents of this State as determined by the State Board of Assessments upon such return and such other evidence as they may obtain.

Sec. 2. The term net value shall be construed to include the net reinsurance reserve on policies held by residents of this State, and such portion of the surplus of such company or companies as may be portioned to such policies by the contribution plan.

Sec. 3. This act shall not be construed to include such fraternal associations as operate on the lodge plan and insure only their own members.

The following is Dr. Fricke's argument in opposition to the passage of the bill:

Mr. Chairman and Gentlemen of the Committee—I appear here as the representative of the Union Central Life insurance company, and, as such, I am representing the policyholders. I am getting too old to try to secure rightful ends by wrongful methods, and I have not come here to oppose a uniform method of taxation; all we desire is a correct solution of the vexatious question of taxation.

I agree with Mr. Dahl that the method of taxation followed in this State is an unequal one; that the burden placed upon your own companies is a great one. That question was before the Legislature a number of times, and any equality which exists can be placed only upon your own home company, for the bill imposing the present tax was either drafted or approved by the Northwestern Mutual Life insurance company, now paying the most taxes under the law. The Northwestern people are not now endeavoring to obtain a change in the methods of taxation so far as it applies to that company, and they also appear in opposition to this bill.

I might be able to deliver to you quite an address tending to prove that life insurance in its great beneficence, and the blessings it confers upon people, should not be taxed at all, but I do not appear for that purpose. I desire, however, to call your attention to several facts in relation to the taxation of life insurance in general, and then take up this bill.

In Great Britain they have an income tax, and yet the law exempts one-sixth of a man's income if that one-sixth is applied to life insurance. This law was enacted as a recognition of the benefit life insurance confers on the state.

During the Civil War, when the necessities of the Government compelled a most careful search for every proper source of revenue, the Congress fully and carefully considered the proposal to tax mutual life insurance companies, and refused to do so because the funds were not employed in business for the benefit of the members, but were contributed by them and were used only for the adjustment of losses and were therefore in themselves in the nature of a tax; so that a tax on them would be in the nature of a tax on a tax.

The only moral and humane theory of taxation is the collection of only such moneys as are necessary for the proper and legitimate expenditure of the Government from such sources; that is, from such persons owning such properties as ought to bear those expenditures and in the proportion in which they ought to bear them.

Under such a theory, no one would suggest a tax upon people's losses. These could be regarded neither as the proper subject matter of taxation nor as a humane basis of the distribution of tax burdens.

The only element in the transaction that suggests taxation of these losses either to the individual or the group or mutual company is the fact that it requires the use of money to adjust them, and that the money is brought into sight in the hand of the adjusting association or corporation and in easy reach of the tax gatherer, and so becomes a temptation to ignore the true nature of the fund, which is simply the collective losses of the group or company, thereby relieving the individual calamities of its members.

So there would be good reasons to advance why life insurance companies should not be taxed at all. I am not here to advocate the taxing of savings bank deposits or to argue for a tax on the investments of people in this State in building and loan associations, yet it is difficult to appreciate the difference between placing money with a life insurance company and have that taxed, and placing money in a savings bank or building and loan association and have that exempt; and I beg you to remember that in the savings banks and building and loan associations there are funds deposited aggregating over twenty-two millions, and yet no member of the Legislature would advocate a tax upon these savings; it is good public policy that such deposits be exempt. Now, if we take up this bill, No. 434 A, what do we find? In the first place it creates

A NEW DEFINITION OF THE WORDS "NET VALUE."

If you will turn to the Insurance Laws of this State, you will find in Section 1949 this provision:

"Whenever the actual funds of any life insurance corporation doing business in this State are not of a net value equal to the net value of its policies, according to the American Experience Table of Mortality, with interest at four and one-half per cent. per annum, the Commissioner of Insurance shall give notice to such corporation and its agents to discontinue issuing new policies within this State until such time as its funds have become equal to its liabilities, valuing its policies as aforesaid."

The net value of a policy is the reserve which the law compels the company to set aside. I am going to use as few technical phrases as possible.

The aggregate net value is the combined reserves of all the policies which a company has issued, so when we talk about the net value of the policies in the State of Wisconsin we mean the reserves which the companies have set aside on all policies issued and in force in the State of Wisconsin. That is the definition of net value placed in the law.

This bill gives to these words a different meaning, for it provides that the term "net value" shall be construed to include the net insurance reserve on policies held by residents of this State and such portion of the surplus of such company or companies as may be apportioned to such policies by the contribution plan. In other words, this law, if placed on the statute books, makes the net value the reserve plus the apportioned surplus.

A company might have every dollar of the net value or reserve in United States bonds, but by some unforeseen contingency or depreciation in values it may lose the apportioned surplus; then it would be impaired or insolvent under the Wisconsin law.

Are you going to make taxation any more equal when you declare this to be the definition of "net value"? If this is the definition of what net value shall be in the future, then the company which is most fair to its policyholders, the company which apportions its surplus annually, is the one which will be taxed the most, because the company which does not apportion its surplus has no other net value except the net value which is called the reserve.

Another objection to this method of taxation is that by law you have created a standard of solvency; by law you have said to these companies, "In order that you may do business, in order that for all time your company shall be solvent, you must set aside this reserve," and after you have compelled them to do this, then you are going to tax this standard of solvency in a manner which, if it spreads into other States, will mean the insolvency of at least one-half dozen of companies now doing business in the State of Wisconsin.

It is urged by those unfamiliar with the detail of life insurance that the premiums do not all go at once to the payment of losses, or the expense of adjusting and distributing them, but go, in part, to swell the assets, which, in a company with a large amount at risk, grow to a great sum, invested and earning interest for the members from whose premiums the assets have been accumulated and which, therefore, it is alleged, should be taxed.

The answer is that these assets are all held in reserve for and are to go to pay future losses. Both the additions from premiums to these assets and the interest earned on them—except the interest over 4 per cent.—are to go to pay losses.

If men died no faster at one age than at another, the losses at each age and the cost of carrying the risk would be the same each year, and the premium for every man would be the same each year and no matter what his age; each year's losses and expenses would nearly or quite use up each year's premiums, and there would be little accumulation, comparatively. But while out of 1,000 men aged twenty, only about eight will die in a year, out of 1,000 aged sixty twenty-six will die. That is, the risk increases with age, and the yearly cost increases with the risk.

Experience proves that men dislike increasing premiums, especially after they get to middle age, when the increase becomes very rapid. And in order to give a sufficient stability to a company, by enabling men to pay uniform premiums in spite of the increasing cost, and avoid the risk that it may be left with a few members and not enough to pay its losses on them, it is necessary to have a premium which does not increase as the cost increases, but remains the same each year; what is called a "level premium."

It must, of course, be the equivalent of the yearly increasing mortality cost; and must, therefore, be more than the mortality cost in the early years of the contract and less than that cost in the later years, and the excess of level premium over mortality cost in the early years, with the interest earned on it, must be reserved to meet the excess of mortality cost over level premium in the later years: that is, the "reserve" or "reserve fund" or "reinsurance fund" of a life insurance company, accumulated while the business is young and the losses are small, to be paid out as the business grows old and the losses become heavy. But it all goes to pay losses. What would be

THE RESULT OF SUCH A TAX

so far as the revenue to the State of Wisconsin is concerned? According to the last statistics, taken from the report of the

Insurance Commissioner, I find that on December 31, 1903, there were in this State 254,197 policies of insurance, representing $229,008,856, and if we give to this sum the same ratio of increase in 1904 as in 1903, there should be approximately at this time 284,881 policies, amounting to $253,297,463 of insurance.

By making a comparison of this amount of insurance with the reserves of companies which have a like or a similar amount of insurance, we can approximately arrive at the tax which would be received from this tax on the reserve, and in this particular I beg to call your attention to the inequality which must necessarily result.

Take the Ætna Life. The whole business of the Ætna Life amounted to $223,202,877 of insurance in force, and on this amount of insurance the company is required to carry as a reserve $57,637,073. If we were to figure a three-fourths of 1 per cent. tax on this reserve there would result a revenue of $432,276.

Now if we take the Connecticut Mutual Life, which has in force $165,925,486 (and I beg you to bear in mind the difference between the amount of insurance of these companies), we find that it has a reserve of $57,897,907. Notwithstanding the company has fifty-eight millions of insurance less than the Ætna Life, it has a slightly larger reserve, and the result of a three-fourths of 1 per cent. tax on its reserve would be $434,235.

The reason for the increase in the reserve on a smaller amount of business in force is that the Connecticut Mutual is an old conservative and absolutely mutual company. It has persistently and all the time refused to enter into a mad race for business and pay extravagant and excessive commissions. It has made annual dividends since the time of its organization. The result has been that the Connecticut Mutual has not written the volume of new business other companies have written paying larger commissions, so that with only a normal increase in the business the reserve has kept growing.

Take the Mutual Benefit Life, which has $333,674,876 of insurance in force. The reserve which the company carries on this amount is $78,524,265. A three-fourths of 1 per cent. tax would mean the receipt of $588,930.

The Penn Mutual Life has $298,330,358 of insurance in force and on this carries a reserve of $50,993,291. You will notice how small the reserve in comparison to the largeness of its insurance in force, yet that is due to two facts: the Penn Mutual has written a large volume of business in recent years, and of the large volume of business quite a percentage has been on a term basis, where the insurance runs for a short term of years and at a low rate of premium; much of the entire business of the company has been written in recent years.

The Union Central Life has $191,750,059 of insurance and carries a reserve of $31,999,244. You will notice that it has considerably more business in force than the Connecticut Mutual Life, yet it has twenty-six millions of reserve less, which is due to the fact that the most of its business has been written during recent years. A three-fourths of 1 per cent. tax on this reserve would amount to $239,994.

If the apportioned surplus is included in the term "net value" we may accept eight millions as the approximate amount of surplus which belongs to Wisconsin policyholders, which would add another $60,000 per year to this tax.

Now compare this three-fourths of 1 per cent. tax on the reserve with a gross premium tax placed on the gross premiums, and you will find this result. A three-fourths of 1 per cent. tax would be equal to a 5 per cent. tax on the gross premium income of the Ætna Life. It would amount to more than 8 per cent. as a gross premium tax on the gross premium income of the Connecticut Mutual Life. It would amount to 4½ per cent. as a gross premium tax on the gross premium income of the Mutual Benefit Life. It would amount to 3¼ per cent. on the gross premium income of the Penn Mutual Life, and a 3½ per cent. tax on the gross premium income of the Union Central Life.

The total premium income in Wisconsin in 1903 amounted to $8,107,900, which makes the premium receipts in comparison to the insurance in force on a basis of $35 a thousand. If we now take this same basis of $35 per thousand, with the same ratio of increase in new insurance in 1904 as was gained in 1903, the premium income on $253,000,000 of insurance in force would be $8,855,000; and we will find that this amount of premium income with a reserve tax would make a three-fourths of 1 per cent. tax on the reserve equal to a 5 per cent. gross premium tax.

The Northwestern Mutual Life had $59,389,257 of insurance in force in Wisconsin January 1, 1904, with a premium income of $2,183,770. Comparing the Wisconsin business of this company, for ascertaining the effect of a reserve tax of three-fourths of 1 per cent. on this company, with the entire business of the Union Mutual Life, which at the same time had $57,385,198 of insurance in force, with a reserve of $9,508,437, we find that the Northwestern Mutual Life under this tax would pay 3⅔ per cent. on its gross premium income.

When we talk about a three-fourths of 1 per cent. tax on the reserve, we must also remember that the experience of companies has shown that the expense of handling the investment of this reserve is equal to one-fourth of 1 per cent. tax on the reserve, so with three-fourths of 1 per cent. tax—as proposed in this bill—we would have a full 1 per cent. tax on the standard of solvency.

You will also notice in this bill that it

CALLS FOR A LENGTHY REPORT.

The company must "make a return to the State Board of Assessments signed and sworn to by its president and secretary, giving the number, date and class of the policies held by residents of this State, the age of the assured life and the aggregate net value of each group requiring a separate computation to determine their net value and the combined aggregate," etc.

I have endeavored to find out what expense would be involved in making such a report. It would cost a company like the Northwestern Life, the Penn Mutual Life, the New York Life, and similar companies, $1,000 to make this report, and when the report was filed with the Tax Commission it would require not only an expert to determine whether the values as given were correct, but in order to verify the returns a most thorough examination of a company would be required, because if an examination were not made you would simply be accepting the statement of the companies as to the amount for taxation.

It not only will bring about an unequal tax on companies, but a most unjust tax which will bear heaviest upon the company thoroughly honest and making use of absolutely no makeshifts.

Some of you gentlemen may be familiar with the organization of the large number of companies which have taken place within the past five or six years. These new companies, in competition with the older companies, very soon discovered that it was necessary to obtain more money if they wanted to stay in the race, and so they make use of this makeshift: The premiums may differ a little in the different companies, but as a rule they charge for the first year's insurance the same premium charged for succeeding years, but this first year of insurance is designated in the contract as term insurance, and as no reserve is required upon one year term insurance, these companies which make use of this one year term provision in their contracts receive the full premium and thus have the whole premium for expenses, except the percentage required for mortality or to pay death losses for that year.

Now any one of these compaines, and there are a number of them doing business in Wisconsin, making use of the one year term provision in its contracts, may write insurance under the Dahl bill, upon which it collects a million dollars in premiums, and at the end of the year it would pay no tax, because under the one year term provision of its contracts it is not required to put up a reserve.

In the State of Missouri a company has added to this plan, by issuing a contract in which the first two years are made term insurance, and were it to come in this State it could write insurance for two years and not pay any tax.

Not only is a tax on the reserve an unequal and unjust tax, but it is a discrimination between insurants carrying the same amount of insurance, and who pay the same premium, and I will illustrate this with one of my own policies.

I have one ten thousand dollar policy which has a reserve at this time of $2,270.90. I was thirty-seven years old when I took the policy. Suppose one of the members of this committee, thirty-seven years old, will now take a policy for the same amount. He would then be paying the same premium as I do, and he would have the same amount of protection, the State would be doing as much for him as it does for me, and at the end of the year his reserve would be $185. Then the company would pay a tax on my policy of $16.71 and it would pay a tax of $1.38 on the other policy. You will notice in this bill that it

REFERS TO THE APPORTIONED SURPLUS WHICH SHALL BE MADE ON THE CONTRIBUTION PLAN.

This is a term used in life insurance, and it means this: When we make a distribution of our surplus annually, or at any other time, we find out just what percentage of the mortality charge of the premiums was used for the payment of death losses, and what percentage of that mortality element of the premium we have saved; what percentage of the expense loading we have used and what percentage we have saved; we also find what the

percentage of interest earning is in excess of that required to compound the reserve, etc., and when we have all the percentages which make up the elements of gain and loss it is an easy example in arithmetic to apportion the proper percentage of these earnings and savings to the individual policyholder. Where the tax is placed on the reserve and the tax is an unequal one, as shown by this illustration, the company, to be perfectly just, fair and equitable, would have to take into consideration when they paid me my annual dividend and when they paid the other man's annual dividend what it has cost in taxes to the State on my policy and what it has cost in taxes on the other man's policy, and in that way, you would be imposing a greater tax upon the company which is most just and fair and does the most for its policyholders, and you would be imposing a direct tax upon the individual for going into an annual dividend company, where he is supposed to get his protection at cost, instead of going into a deferred dividend company where the surplus is deferred for twenty years and where there is no apportionment until the end of the period.

I can illustrate this further. One man of the same age as another places his policy in a company which makes use of no makeshifts and puts up a reserve at the end of the year; the other man places his policy in a company with a one year term provision in its contract and which does not put up a reserve. At the end of the year one company has to pay a tax and the other company pays nothing.

When I talk about my own policy you may say "you have carried your policy a number of years and accumulated this reserve." That is true, I have carried it longer than the other man, but at no time am I receiving any more benefit from the State.

There comes a time in the life of the man who carries insurance when the annual premium which he pays is not enough to pay his actual cost of insurance; but by that time the reserve has become larger, the interest earning on that reserve is greater than is required to compound that reserve, and we add that excess to the premium which he pays in order that he may not have to pay a larger premium.

Here is another phase of this question: We have heard that Massachusetts imposes a similar tax. Massachusetts was the first State which enacted in 1858 this law of net valuation. Before that time a company might reserve if it wished, or it could reserve on any basis that it saw fit, and it might make distribution of its surplus as it saw fit; and just to give an illustration, one of the largest companies today, prior to the enactment of the legal standard of solvency, made a distribution to its policyholders, which, if it were made today, would make the company solvent or impair its standard of solvency.

Massachusetts enacted this law of net valuation in 1858 and with that law went the authority to the Commissioners of Insurance to value companies' policies, so that every company transacting business in the State of Massachusetts was compelled annually to furnish to the Insurance Department schedules for valuation, and in that case, of course, there was verification of any returns which companies might make, and a tax was fixed at one-fourth of 1 per cent. But you must remember at that time companies were earning very much higher rates of interest on their money, and that now the average interest rate which companies earn is between 4 and 5 per cent.

The Massachusetts law, however, also provides that if this one-fourth of 1 per cent. does not equal a gross premium tax of 2 per cent., then the companies are called upon to pay the difference. Then why not make it a 2 per cent. gross premium tax from the start?

What will be the effect? Mr. Dahl wants to relieve the Northwestern Mutual Life of a burden—I shall be glad to assist him in doing so—yet by the enactment into law of his bill you will increase the burdens of the Northwestern very much more than they have ever been before, because the moment this law goes on the statute books of the State of Wisconsin every State in which the company is transacting business may turn around and demand of the Northwestern a tax of three-fourths of 1 per cent. on their reserve in that State; then you will increase the burden of the Northwestern by compelling it to classify and make a valuation of its policies, and of each group, which, if it costs $1,000 to furnish this information to the State of Wisconsin, would cost an equal amount to furnish it to other States, because the information required by other States would not be a duplicate of what the company furnished to the State of Wisconsin.

Now let us see what

THE EFFECT UPON THE NORTHWESTERN MUTUAL LIFE

will be when this law goes out into other States and imposes the same hardship upon Wisconsin companies.

The total reserve of the Northwestern Mutual Life amounts to $158,826,634. Dividends and other profits due, $406,937.12; dividends apportioned and due during the year 1905, $2,921,-181.03, which it is going to pay this year to every policyholder who has an annual dividend contract, when he pays his next premium.

You are going to tax that apportioned surplus three-fourths of 1 per cent.; and the Northwestern Mutual Life has many policies where the distribution is deferred for years, whereon it credits to the policyholder, of which the policyholder may receive a statement every year, and such apportioned surplus of the company represents $25,871,626.97, or a total "net value" —as defined in this bill under consideration—of $184,014,260.12. Three-fourths of 1 per cent. on this amount amounts to $1,380,-105, which the company could be asked to pay in all the States in which it is doing business; and instead of relieving the Northwestern of the burden that is now upon it, you will be increasing its taxes over 50 per cent.

In legislating for companies coming from other States you must also consider the effect of the legislation upon your Wisconsin companies. You must especially do so, because your purpose and your object is to equalize and lessen the burden.

I have not come here to say that you should not tax these life insurance companies. When I was requested to come here I especially reserved the right of advocating only those measures which I have considered just, fair and equitable; and on this question I said: "We have not been paying our just taxes, and if I can go before the Legislature of Wisconsin and present a plan which is as fair as a plan taxing life insurance can be, and will impose no more than our just and proportionate share of taxes, then I will go," and that is what I am here for; I am not here to try and kill just bills; but as to the effect of this measure upon the Northwestern, I say to you that this bill, if enacted into law, will more than increase the taxes of the company 50 per cent. and drive other companies out of the State.

The annual statement of the Northwestern shows that the tax which it paid during 1904—license fees and departmental fees—amounted to $620,896.52. And right here I want to call your attention again to one fact, that if you apply this $620,000 which it is paying upon its whole business, you will find that this sum is equal to about a 2 per cent. gross premium tax, and so we always come back to the same proposition.

You are collecting in the State of Wisconsin now more fees and taxes from insurance companies than any other State in the Union, with the possible exception of the State of Ohio, and Ohio has more companies transacting business there than you have in Wisconsin.

I obtained some figures from the Bank Commissioner. Your people have deposited in the savings banks of this State $17,415,-502.70 and the interest savings banks allow depositors is a fraction less than 4 per cent.

The building and loan associations have assets of $4,019,916.64. If the State were to impose a three-fourths of 1 per cent. tax on these savings bank deposits and on these building and loan accumulations, it would mean such a decrease in the interest rate as to remove all incentive for making such deposits.

Two years ago the New York Legislature imposed a tax on savings bank deposits, and this tax was one of the most important issues in the political campaign of last fall. So much was it an issue that all candidates felt it incumbent upon them to pledge themselves that this tax should be repealed at the next session of the Legislature. It would be the same here in this State if you were to couple with this bill a tax on savings deposits and building and loan accumulations, and if you did pass such a bill you should require these institutions to annually notify each policyholder, depositor and member how much he has contributed to the State of Wisconsin in payment of this tax, and then there would almost be a political revolution in the State of Wisconsin.

I agree with Mr. Dahl fully in the comparisons which he has made showing the inequality of these taxes.

Mr. Anderson might say to your committee as he said to me, "But we are taxing the investment, and if these policies were merely contracts of pure protection, why, that would be a different proposition."

Well, what he meant by "contracts of pure protection" would be term insurance contracts, which carry with them an increased rate of premium as the man grows older. If you extend the term of a contract beyond a period of one year, if instead of insuring from year to year, you say it is a term contract for five, ten, fifteen or twenty years, that contract must have a small reserve, increasing for a portion of the period and later decreasing as the premium becomes insufficient to pay the cost, but

only a term contract for a company can be shown to be a fallacy by this simple statement: A very able and brilliant man, Shepard Homans, who formulated the American Experience Table, and who had very high ideals, looked upon this simple form of term protection as one of the ideals in insurance, and to carry out his ideals he organized a company. It was a new idea and it took, and the company wrote large volumes of business; but it wasn't a great many years before the company was only saved from insolvency by changing that form of contract. It could not succeed on a mere term basis.

Now, there is a bill before the Senate which will place as just and as fair a tax upon life insurance companies as you can devise. Mr. Anderson and myself, no doubt, could place our heads together and get you up an ideal bill for taxing life insurance companies, but it would be so ideal that the State of Wisconsin would in all probability not obtain any revenue under it; but revenue is what the State of Wisconsin wants and that is what all States want, and so if you go a little further and investigate this matter, you will find that the general practice has become in other States a gross premium tax, which can be verified. A three-fourths of 1 per cent. tax is not only unjust, it will not only impose great hardships, but

IT WILL IMPOSE GREAT DANGERS UPON LIFE INSURANCE COMPANIES,

because, as I said before, you first create by law a standard of solvency and then by this bill you tax that standard of solvency into insolvency.

A number of the companies—formerly assessment or stipulated premium associations—reorganized as old line companies, in order to make it possible for them to comply with the legal reserve requirements; provided, that the reserve necessary be charged against the policies as policy liens or that the members give notes for the amount of the reserve which the company under the law is required to hold to maintain solvency. In this manner there was created a paper reserve on the policies of the former association, and while meeting the requirements of the law, meant no more than a decrease of liability on policies in case of death, since the lien or note in such event was deducted, and that the policyholder paid a larger premium for a smaller amount of insurance than the face value of the policy.

A tax of three-fourths of 1 per cent. on the net value or reserve as contemplated by this bill would compel the payment of a large tax upon this paper reserve, or in other words, taxing something which these companies never had, and which instead of representing the accumulations of the policyholders, represents their actual liability.

In other life insurance companies, this proposed tax on the reserve confronts us with another condition: Nearly all companies grant to their policyholders policy loans, or according to the amount of reserve accumulated on a policy, the insured may secure a loan from the company of his own reserve accumulations, for which he gives his note. In all the companies transacting business in this country, these policy loans made to policyholders amounts to nearly $150,000,000.

It is impossible to determine the amount so loaned to Wisconsin policyholders, but from the amount of insurance in force in the State, such loans may conservatively be estimated to exceed $4,000,000.

The Northwestern Mutual Life insurance company—whom this reserve tax law would follow into every State where it transacts business—has made policy loans to its members amounting to $16,555,450.

Under this bill to tax the net value of policies or the reserve would compel companies to pay this tax on every dollar loaned to their members on their policies, because the money so loaned represents the reserve of the policies on which the loan is made, and is an indebtedness on the part of the members to the company.

So inconsistent and unreasonable would be the effect of such a reserve tax that it seems impossible that this bill can seriously appeal to the intelligence of this committee.

It has been argued that a tax on the reserve presents the only means for taxing paid up policies. In the first place there is a mistaken impression as to the number and amount of paid up policies carried; few men apply for paid up insurance for which companies receive a single premium or one payment; where policies become paid up by reason of the expiration of the limited payment period, the values then offered are in most cases accepted in preference to a continuance of the insurance, so that the amount of paid up insurance outstanding largely consists of paid up policies for small amounts granted upon the payment of a few annual premiums and the lapse of the original policy; it may therefore be accepted as a conservative estimate that less than 8 per cent. of the insurance carried is represented by so called paid up insurance. Yet even on this the State has received its full tax in the past, since for years the companies have either been paying fees and a premium tax direct or in retaliation.

The average policy of life insurance carried in this country is less than $2,300, while the average paid up policy amounts to less than $100, and when you consider that in all probability not more than one-tenth of the personal property in this State is paying a tax, it seems like rather a strenuous effort to impose so great a burden upon life insurance to reach the net value of the comparatively small number of paid up policies, which for most people who own them will hardly do more than pay the funeral expenses.

LIFE INSURANCE IS OF ITSELF A TAX.

Men impose this annual premium tax upon themselves that their loved ones may not become dependents of the State, and the State—benefited directly and indirectly by every policy of life insurance carried within its borders—taxes the tax which prudence and forethought has imposed as a duty to the family.

I have tried in talking to you to give you as nearly exact information as I possibly can. I addressed a letter to the New England Mutual Life insurance company, asking them to give me the reserve on their policies in Wisconsin, in order to show the effect of this bill, and I received an answer this morning saying that their reserve on policies issued on residents of this State amounted to $316,004. The premium receipts of the New England Mutual Life in this State during 1904 were $77,410. A 2 per cent. gross premium tax would amount to $1,548.20; a three-fourths of 1 per cent. tax on its reserve would amount to $2,370, or equal to a 3 and two-tenths per cent. gross premium tax.

With your permission I will read Bill No. 304S, introduced by Senator Hudnall. It only attempts to amend the second sub-division of the tax law of the State of Wiconsin. It leaves the tax in the first sub-division as it applies to the Northwestern, and it seeks only to compel companies of other States to pay their just and fair proportion of taxes. It reads as follows:

"Second. If any such company, corporation or association is organized without the State of Wisconsin, and is not purely an assessment company, it shall pay into the State Treasury as such annual license fee 2 per centum on all premium receipts, which shall include single premiums, annuity premiums, premiums received for renewal, revival or reinstatement of policies, annual and periodical premiums, dividends applied for premiums and additions, and all other premium payments received during the preceding year on all policies which have been written in or on the lives of residents of this State; such license fee shall be in lieu of all retaliatory and other fees and taxes except taxes on real estate, fee for filing first declaration or statement with charter, and fees for agents' licenses."

I want to explain the language of this bill. The gross premium is sub-divided into the different kinds of premiums which make or should make up the gross premium. There are very many policies written on the weekly, monthly, quarterly and semi-annual basis; many of these policies lapse during the year of issue, and under a gross premium tax these premiums would also be the source of revenue to the State, while under the reserve tax law they would escape taxation. Then very often the premiums received this year for revival of policies that lapsed last year may not be included in the gross premium, as only the annual premium for this year may be included. Evidently it was the purpose to include all sources and elements of premium income in the gross premium receipts for taxation.

The provision—"shall be in lieu of all retaliatory fees and taxes, except taxes on real estate, fee for filing first declaration or statement with charter, and fees for agents' licenses"—may be a source of protection for the Northwestern, for if the State of Wisconsin inaugurates the policy of not imposing retaliatory fees, it will be but a short time when the Northwestern will no longer suffer from retaliatory laws of other States.

I want to be as exact as I can and show this committee what will be the results under this bill, and through the kindness of Commissioner Host I have been enabled to take the premium receipts of all the old line companies from the statements filed in his department, and can give you almost exact figures showing the revenue which will be derived under the Hudnall bill. I say almost exact figures, as there are three or four companies that have not filed their statements, and their receipts had to be approximately ascertained, but they are given at lower figures than the actual results will show.

The total premiums received in the State of Wisconsin last year, 1904, not including the Northwestern and the Wisconsin Life, amountd to $6,085,596.47. A 2 per cent. tax on these premiums would compel the companies of other States to pay to the

State of Wisconsin $121,711.92, which with the taxes and fees collected from the Wisconsin companies would make an aggregate, including $4,000 for agents' licenses and fees, of $435,702.53 as against $324,420 as given in the last year's department report.

Mr. Dahl's statement as to the amount of taxes paid by outside companies was rather lower than the actual figures will show. While the Northwestern did pay $262,014, according to the last report of the Insurance Department, the taxes and fees paid by all other life insurance companies—not including agents' license fees—were $58,584.85, so that there would be an increase from $58,584.85 to $125,711.92 as coming from the other companies, and there would be a simple method of verification.

While Mr. Dahl was talking of the burdens of the Northwestern I made a calculation which would show what would be the result if all the companies were placed on this 2 per cent. gross premium tax basis. But before I give you the result I wish to call your attention to this fact, that the law which you have now on the statute books—which has increased the taxes of the Northwestern—is practically an amendment of the old law which placed upon the Northwern a 2 per cent. gross premium tax, and which the Northwestern paid for many years; and it was because the members of the Legislature believed that the Northwestern, for the protection and privileges that it received, was not paying enough taxes, that the bill was framed in 1899; then the Northwestern desired to have it amended, and drafted and urged the passage of the law which is now on the statute books.

Now as to the result of my calculation. If you were to impose a gross premium tax on all companies, not including the Northwestern and Wisconsin Life, then you would receive from the outside companies $121,711.92; from the Northwestern and Wisconsin Life, $46,783.72, or a total of $168,495.64, and $4,000 for agents' licenses, and when you had done this you would be back again to the same old starting point of all this agitation of taxation, and we would have the same old argument that the Northwestern was not paying enough. I do not wish to tire the committee, but in order to show just what

THE FEELING AMONG LIFE INSURANCE OFFICIALS

on Bill 434A is, I sent both a copy of the Dahl bill and a copy of the Hudnall bill to a number of officers of life insurance companies and asked for an expression of their opinion. Their replies are personal letters to me, and if you will bear with me just a little while I will make my concluding remarks just as short as possible. I have furnished the audience many times myself and know just how tiresome it can become.

President L. G. Fouse, of the Fidelity Mutual Life, an actuary and very capable insurance man, writes me this letter:

"I do not believe, as some do, that the taxation of insurance companies should not exceed the cost of State supervision. The franchise is worth something; it is worth something to the people of any State to have the privilege of making provision for their dependents in a legalized way; but it is not worth one-fifth of the amount that would be taxed under the provision of Bill 434A. Furthermore, this bill is objectionable in that it would entail a great and needless expense in grouping policies according to States for valuation purposes. The bill could be defeated in a way by the companies adopting term insurance, under which the policies practically have no value. This would in part be the result if it were enacted into a law. Because of the burdensome tax imposed in the State of Wisconsin the policyholders residing within that State would have their values so unfavorably affected, as compared with people outside of the State, that the companies as a matter of self preservation would urge upon the people the purchase of term insurance, notwithstanding its objectionable features at the advanced ages.

"The Legislature of Wisconsin certainly would not expect any company to distribute the extraordinary tax imposed in the State among its policyholders in general. For example, if a resident of Wisconsin had a $10,000 policy with a reserve value of $2,000, his tax, under the provisions of Bill No. 434A, would be $15, while in other States it would probably average $6. Of course the excess of $9 would have to be borne by the Wisconsin policyholder and the values of his policy correspondingly reduced. This is the only way in which it can be done. Naturally this would provoke adverse criticism. The people of Wisconsin in comparing results with the people in other States would find themselves discriminated against, and would ultimately discover that it was due to legislation. Therefore, if a bill of this character is to be recommended for passage it certainly should incorporate a clause requiring that notice be given to the policyholder of the amount of tax imposed by the State. This, to my mind, would be the best possible corrective of the present tendency to increase the burdens of insurance companies and consequently the policyholders."

President Miller of the Mutual Benefit Life—which is a purely mutual company—writes:

"Young and irresponsible companies might be willing to do business in Wisconsin and pay the prescribed tax of three-fourths of 1 per cent. on reserve and surplus, for the assets of such companies are very small in proportion to their premium receipts; but the older and more reliable companies would find such a tax prohibitory. Furthermore, Wisconsin life insurance companies would find themselves almost taxed out of existence, as they would have to pay the same tax in every other State where they did business, under the reciprocal laws of other States.

"Another serious objection to Bill No. 434A is the extreme difficulty of making up the reserve for taxation.

"If a tax on foreign companies be deemed necessary, it seems to me that it should be based on premiums actually received, as is done by almost every other State which taxes foreign life insurance companies. A 2 per cent. tax on premiums is a heavy tax, but is not without precedent. I think, however, that such a tax should be imposed upon premiums actually collected, not on the premiums nominally payable under the policy contracts. What I mean is that life insurance premiums are, for precaution, made larger than the future necessities of the company are believed to require, and where the current premiums are reduced by dividends actually allowed in rebate of same, I think that only the actual premiums collected should be taxed."

I will now read an extract from the letter of Second Vice-President and Actuary Rufus W. Weeks, of the New York Life:

"This proposed law is an assault upon one of the two vital elements of the life insurance contract. These elements are the two assumptions which have to be made for a long series of years in the future in calculating premium rates and policy reserves, namely, the assumption as to the rate of interest which is expected to be realized, and the assumption as to the mortality which is expected to be incurred. To use the power of taxation to vitiate the interest assumption by taking out from each year's interest realized on the policy reserve three-quarters of 1 per cent., which is one-quarter of the rate of interest at present assumed by the companies for the future, would be a monstrous act. If such action were to become general the companies would, of course, be obliged to assume a rate of interest for the future not higher than 2¼ per cent., and this would, as you know, very materially increase the premium rates for insurance.

"The immediate financial effect of this bill, if passed, would be to inflict an annual tax on the companies equal to approximately 4 per cent. of the premiums they collect in Wisconsin, beside the cost of listing and calculating the reserves on all the policies in force in Wisconsin, which would amount to many thousand dollars wasted in useless labor."

There is probably no more eminent actuary in the world today than Dr. Emory McClintock, of the Mutual Life of New York. Dr. McClintock writes me as follows:

"It is imitated from a mischievous law of Massachusetts, which imposes a license fee, for the privilege of doing business in that State, amounting annually to one-quarter of 1 per cent. upon the reserves held upon life insurance on the lives of citizens of the State. This bill aims to impose a similar license fee on the same erroneous basis, just three times as large as that imposed by Massachusetts.

"Everywhere except in Massachusetts the license tax is based upon premium receipts, either gross or net, the latter being ascertained by deducting from the gross premiums received in the State some or all of the company's disbursements in the State during the same period. The percentages vary from 2 per cent. down to nothing. In New York the license tax is 1 per cent. on the premiums received during the year upon new policies only; such policies representing the annual new business for the effecting of which the license is granted.

"The Massachusetts system is vexatious and troublesome, because of the classified lists and valuations required, both of which require much time and labor on the part of skilled clerks. The work comes at a time when those clerks are otherwise busy. The companies endeavor to spread the work of their clerks over the year as equally as possible, but notwithstanding all their efforts there are times when their clerical force is especially burdened. If this peculiarly heavy and expensive work required for Massachusetts were to be duplicated by another great State like Wisconsin, it would necessitate an increase in clerical force, involving still more expense. This

difficulty makes this form of tax much more burdensome to the company than the mere payment of the dollars involved, so that the State receives in reality less than the cost of the system to the company, resulting in so much sheer waste for the benefit of nobody.

"The Massachusetts system was based on a misconception. The idea was that the reserves were in a sense the property of the Massachusetts policyholders, and ought to be taxed as property. Examination shows (1) that there is no more occasion for taxing as property such reserves than for taxing savings bank deposits; (2) that if it were deemed proper to levy a tax of a quarter of 1 per cent. on savings deposits and life insurance reserves, as a compromise, in lieu of the property tax upon the individual owners, it should be assessed upon all holders of life insurance policies within the State, whether the companies in which they are insured continue to do business there or not.

"The mere fact that the company could get away from the tax by ceasing to do new business is clear proof that the Massachusetts tax is not property tax but just ordinary license tax levied in a whimsical and arbitrary way.

"As long as this tax stands in Massachusetts there is danger of other States supposing there must be something in it, and copying the example. The danger would be much increased were Wisconsin to have the same law as Massachusetts. The companies know what premium taxes are, and can keep their accounts accordingly and know where they stand. If the State levies too high a tax, companies not already there will not enter, and the companies already in will decide whether or not it is best for them to get out. The life insurance companies already pay in taxes a large fraction of the amount which in these times they are able to earn as dividends to policyholders. If any State wants to act illiberally, let it do so directly, having reference to the well known basis of premium receipts. The amount of premiums received is an easily ascertained fact, and a company has only to choose whether to pay the tax or quit. There is no sense in introducing unnecessary and expensive machinery by setting up a whimsical basis of taxation such as that used in Massachusetts."

President John H. Holcombe, of the Phœnix Mutual Life, also an actuary, writes:

"The method of this proposed tax, however, seems to me to be not only vicious but dangerous in the extreme. It imposes upon reserves a tax which necessarily must be paid from the interest account. It is easy to conceive a situation where the greater part of the business of any company might be represented by paid up insurances, where no income would be derived excepting from the interest upon their reserves. The laws of the various States and the necessary obligations carried by life insurance companies provide that a certain rate of interest shall be secured upon these contracts so long as they may remain in force. This company now has policies issued more than fifty years ago, and under the present practices, some of the policies being issued at this time will probably still be existing contracts against life insurance companies seventy-five years hence. The rate of interest, therefore, upon which these obligations rest is a vital question. Suppose a company bases its reserves upon a 4 per cent. basis; this proposed tax would increase the necessary interest rate to 4¾ per cent., to which must be added at least one-quarter of 1 per cent. for investment expenses and losses. We therefore have a 5 per cent. rate which must be realized for many years to come. This bill if passed would render any company insolvent so far as Wisconsin business was concerned. Even if the reserves were based upon 3 per cent. it is scarcely likely that the necessary 4 per cent. would be realized in the distant future."

The Hon. John A. Hall, the able president of the Massachusetts Mutual Life, who knows all about the Massachusetts law, writes as follows:

"It seems to me absurd, however, for a State to levy a tax on either premiums or reserves, for just to the extent of such taxation are the principles of the business interfered with. The State makes a law regulating the valuation of policy liabilities, compels us to assume certain rates of mortality and interest likely to be earned in the future, and then levies a tax which in effect cuts down the rate of interest realized by the companies on their investments, and to just that extent narrows the margins of surplus interest. There is an old argument that life insurance tends to reduce the number of dependents who might otherwise become a public charge; that in effect its work is all beneficent, etc.

"I cannot believe that it will become a law. The companies generally are earning somewhat around 4¾ per cent. interest on their invested funds. You understand perfectly well that only a small part of the so called surplus of the companies earns anything, as it is represented largely by due and accrued interest, deferred and uncollected premiums, cash on hand, etc.; hence the reserve and a part of the surplus only represent the funds which earn interest. Think of taking out of these earnings three-quarters of 1 per cent. of the net value or reserve. Our own State levies a tax of a quarter of 1 per cent. on the reserves held by the companies against policies on the lives of citizens of this Commonwealth. That is bad enough. I am really presenting no argument, Doctor, but merely giving expression to my feelings. You know better than I do all that can be said against taxing life insurance companies further than on their holdings of real estate. If all the companies were to deduct from the dividend the amount of the tax in each individual case, according to the rate of tax levied by the State in which the policyholder resided, there would be something of a disturbance among the insured generally, and, possibly, it would create a public sentiment which might result in the repeal of some of the tax laws now in force. Such a course, however, would be impracticable."

I also have a letter from Mr. J. M. Craig, the actuary of the Metropolitan Life insurance company, who says:

"This bill is open to several objections. First, there is no standard mentioned by which the net value shall be computed. Second, it places upon the companies the burden of keeping a separate classification of policies issued, cancelled and in force in the State of Wisconsin and a separate valuation thereof for the purpose of complying with its provisions. Third, it is wrong in principle because it levies a tax on the reserve.

"The insurance laws of the State of Wisconsin fix as the basis for computing the reserve liability on life insurance contracts the American Table of Mortality and 4½ per cent. interest. As a matter of fact, most of the companies are now reserving on 3½ per cent. interest, while some are reserving on a 3 per cent. basis. The standard in many of the States at the present time is the American Table of Mortality with 3½ per cent. interest. This is the present standard in the States of New York and Massachusetts and all companies organized in either of these States compute the reserve liability on all contracts (except those computed on a 3 per cent. basis) issued since the new laws went into effect by that standard.

"The reserve or net value is an inviolate trust which is held for protection of policyholders. If it becomes impaired, a company is not deemed to be solvent, and the tax gatherer in his efforts to find new forms of property to tax or to levy an additional tax on old forms should never touch the reserve fund or net value of a life insurance company.

"The fact that Massachusetts has levied a tax of one-fourth of 1 per cent. on the reserve of policies held by the citizens of that Commonwealth is no justification of its great wrong. That Commonwealth some years ago legalized the operations of the Order of the Iron Hall, but that act only opened the door for additional thousands to be duped and robbed of their hard earned savings.

"The public clamor at the great wrong which has been done forced the repeal of the law which gave that order and those of a similar character permission to transact business in that Commonwealth.

"The wrong is just as great to levy a tax on the reserve of a life insurance company, because its basic principle is wrong, but so long as the companies are able to replenish the funds which are thus wrongfully abstracted from the reserve, the wrong will not be manifest and the evil may continue, but the fundamental law of life insurance requires that the reserve shall be held good and therefore if for any reason the reserve fund is depleted, the deficit must immediately be made good from some other source, so that it is wrong in principle and wrong in practice to levy any tax on the reserve of a life insurance company."

President Dunham, of the Travelers insurance company, says:

"I hope your analysis of these bills and of the effect they would produce has been such as to persuade the committee and the Governor also that the method of taxation proposed is unscientific and would introduce into the taxation of insurance companies by States a new and unequal plan that would complicate a problem which should be materially simplified.

"Mr. Dahl's bill, No. 434A, seems intended to tax indirectly something that has been held in Indiana and in Kentucky and elsewhere, I think, to be not a proper subject for taxation. If it is unwise and improper to tax policyholders upon the value of their policies—it seems to me upon the principle that what cannot be done directly ought not to be done indirectly—that it is equally improper and unwise to tax the companies upon the same policies."

We are not here to avoid a proper method and reasonable rate

of taxation. As life insurance men, we believe that the State is sufficiently benefited by the insurances carried in these companies to require no more of fees and taxes than a just and fair proportion of the cost of supervision. We recognize the fact, however, that the object of imposing a tax on life insurance companies is for the purpose of revenue, and in so far as such a tax does not impose a burden and involve a danger, there is a willingness to comply.

Just one word and I am through. When you levy a tax on the gross premium you are receiving a uniform revenue from every company in proportion to the amount of business which that company is transacting in this State, and a company has an opportunity to pay this tax out of the loading which is placed upon the net premium for expenses and other contingencies; so that when a tax upon life insurance is at all proper, it is only proper to levy it upon that gross premium, because that gross premium provides for an element out of which such a tax may be paid.

A three-fourths of 1 per cent. tax upon reserve is a tax upon the solvency of a company, and if such a method of taxation should spread outside the State of Wisconsin it would mean insolvency to quite a number of companies.

The policyholder always pays the tax; but it hardly seems necessary to so formulate its imposition as to endanger the security.

Bad Report About Raltimore—"Extraordinary and Wicked Carelessness in Rebuilding"—Why Another "Baltimore Conflagration" May Be Looked For.

(*Insurance Engineering for February.*)

What has Baltimore done in the past twelve months to prevent another such fire as that of February 7 and 8, 1904? Will good building laws be enforced, or have such laws even been framed?

Has the fire department been enlarged to properly protect the city from the likelihood of further devastation by conflagration?

Has the public water supply been increased to meet all demands that are liable to be made on it, especially for fire purposes?

Have streets been widened to lessen the danger of general fires?

These are some of the questions that are being asked by fire protectionists and by progressive citizens who are impressed by the unprecedented total fire loss in the United States in 1904, due largely to the Baltimore conflagration.

The answers to these questions must be practically identical: Little or nothing has been accomplished in the first twelve months and the present indications are that no great improvement is to be made in the burned district when rebuilt.

This deplorable state of affairs is freely commented upon by the thinking citizens of Baltimore.

PLENTY OF RUINS STILL TO BE SEEN.

But a small part of the area affected by the fire of a year ago has been rebuilt; large plots of ground are for sale, belonging, in most cases, to estates; the ruins of some buildings remain untouched, with the exception of the removal of dangerous walls; a large number of cellars are filled with brick saved from the old buildings. At the present rate it will probably take between two and three years to restore the burned district, possibly longer. No masonry work, or concrete work, is being done at present on account of the extreme cold, being prohibited by the revised building laws of 1904. There are also rumors of differences between contractors and the bricklayers' unions, which may culminate in all bricklayers being called off from work in Baltimore.

NIGGARDLINESS ALLEGED—AND VISIBLE.

Another noteworthy feature of the situation is that in rebuilding the moneys invested are said by architects to be limited to the insurance paid on the old buildings. It is hinted that in repairing the "fireproof" buildings less than the insurance moneys has been expended, which may mean that the quality of the buildings as repaired is not as good as before the fire. Of course this applies only to the work thus far completed.

Of the "fireproof" office buildings, only two are repaired and occupied again. These are the Union Trust and the Calvert, which were damaged respectively 61 and 57 per cent. The *Herald* building is a heap of ruins. The Chesapeake and Potomac Telephone building has not been repaired; the windows are out and part of the roof is missing. The Equitable building is being repaired; the extensive damage to the floors made it necessary to practically reconstruct the interior of the building. The Baltimore and Ohio building has not been touched. The Maryland Trust building is being repaired. The United States Fidelity and Guaranty building has been removed and not rebuilt; the ruins of the annex, which had reinforced concrete floors, remain. The Continental Trust building is being repaired.

OWNERS BEGRUDGE THE COST OF SAFEGUARDS.

In regard to the exposure hazard of "fireproof" office buildings, Inspector of Buildings Preston recommended that in revising the building laws it be made compulsory to protect with wireglass in metal sash and frames all outside windows of these buildings, but this recommendation was rejected because of the protest made by the owners, who complained of the extra expense. It is said that this requirement was approved by the city council and the mayor, but was repealed under pressure before the revised building laws were printed.

Some of the small bank buildings are again occupied, others are about ready for occupancy. The National Mechanics Bank and the Chamber of Commerce are being entirely rebuilt. The Safe Deposit and Trust building in South street, near German, is occupied, and all outside windows are glazed with wireglass in metal sash and frames. One corner of the power house on Pratt street has been temporarily enclosed, but the old electric machinery and the twisted iron members of the old roof that went through the fire remain.

DANIEL MILLER COMPANY BUILDING.

In the wholesale dry goods district there is at present only one building, that of the Daniel Miller Company, worthy of note. It is six stories in height, with two basements, facing on Hopkins place and running through to South Liberty street. The floors are of the "mill" type, supported on heavy joists and beams which are carried on cast iron columns protected with Portland cement fireproofing. All stairs and elevators are in brick shafts built against the side walls, with doorways protected by automatic tinclad fire doors. The building is being equipped with "Grinnell" automatic sprinklers; standpipes and hose are now in place. Electric lighting and steam heating are obtained from public plants. The side walls are blank and independent; all windows are glazed with wireglass in metal sash and frames. The street fronts will also be protected by water curtains. A member of the firm stated that the fire entered the old building through a large skylight; there was practically no private fire protection; the fire department streams did not reach above the third story. The new building has a roof of the "mill" type and there is but one small skylight.

The site of the old Hurst store, where the fire started, is unoccupied, nothing but the foundations being left. The new Hurst store is at the corner of Hopkins place and West Lombard street, nearly opposite the new Miller building. It will not be finished for some time. The walls are up (six stories in height) and the floors are partly in place; apparently the interior will approximate "mill" construction; the rear windows are being fitted with metal frames and sash for wireglass.

COMBINATIONS OF GOOD AND BAD CONSTRUCTION.

In the other new buildings in the burned district are found combinations of good and bad features of construction, such as fairly heavy floors well supported (heavy joists on protected steel beams and columns) and lightly enclosed stairways; metal clad window frames and sash glazed with ordinary glass; fairly heavy floors, rear windows protected by tinclad shutters, and ordinary hollow lath and plaster partitions separating stores in the first story. Another combination noticed was joisted floor construction carried on unprotected steel beams and columns. Concealed spaces in floors are common. Private fire appliances are scarce.

An architect expressed the opinion that probably not more than 20 per cent. of the new construction will be of a fire resistive nature. This cannot be wondered at, as the revised building laws (Ordinance No. 59, approved by the mayor on March 18, 1904.) allow non-fireproof buildings to be 85 feet in height above the established street level, say six or seven stories. Above that height, buildings must be "fireproof throughout," but "no buildings of any character shall be erected over 175 feet in height from the established street level." The new ordinance regulating the height of non-fireproof buildings appears to conflict with an existing section applying specifically to tenement and apartment houses. The indifference of the city on the question of fireproof buildings is well illustrated by its recent decision to have only the corridor or hall of a new $400,000 public school building of fireproof construction; it is understood that for an additional $20,000 the entire building could be fireproofed.

TOO EARLY YET FOR EXACT DATA, BUT THE OUTLOOK IS UNPROMISING.

But few streets have been widened thus far and these only for short distances. It is said that no improvement has been made in

the public fire protection of the city since the big fire, but that two new fire companies will be organized some time this year, appropriations having been secured for this purpose.

It is too soon to judge definitely what the condition of the burned district will be when it is entirely rebuilt. Most of the new buildings are in scattered locations, and no one can tell what the exposure hazard will be. The great majority of rear windows are protected by either tinclad shutters or wireglass in metal frames and sash, indicating that the danger of unprotected windows has been recognized to that extent in restoring buildings that were destroyed. Side windows on alleys are protected to a limited extent.

The National Electric Code should be adopted by the city in place of the provisions contained in the building laws in relation to electrical installations.

A CELEBRATION—BUT WHAT IS THERE TO CELEBRATE.

The rebuilding of Baltimore is of more than local interest. The city seems to be unaware that the civilized world has begun to study fire prevention. What will the world say of the farce that is being enacted in Baltimore? What will it say if that city again falls a victim to the fire fiend? The opportunity presented to Baltimore to set the example in superior reconstruction appears to have been thrown away for the want of intelligent appreciation of the significance of sweeping conflagrations. Whether the mistakes at Baltimore are the fault of the city government or of the individual citizens in not taking sufficient interest in the matter of safe rebuilding does not affect the question. Whoever is to blame, the whole city must suffer the consequences of willful neglect or willful ignorance.

According to reports, a big celebration is planned to be held in September and the press agents are already doing a lot of talking. Ostensibly the object is to "observe the recovery" of the city from the blow dealt it by the fire, but what there will be, of a substantial character, to rejoice over at that early date is not plain at the present time.

One phase of the situation is that there is room for a suspicion that some architects and builders are not overanxious to have their new work scrutinized. The public will know what its quality is when another fire test comes!

Life Insurance Lapse and Reinstatement.

The following are extracts from the address of Mr. J. H. Jeffries, of the Penn Mutual Life insurance company, to the Wharton School of Finance of the University of Pennsylvania on the subjects of lapse and reinstatement in life insurance practice:

Much speculation has been indulged in as to the causes of lapse. They are, to a large extent, natural, inevitable and unavoidable. Misfortune, loss of position, unrealized expectations, all contribute to the volume of withdrawals. Overpersuasion on the part of zealous solicitors is responsible for a large portion. Again, many men take insurance as the result of impulse rather than conviction, and, like New Year's resolutions or the keeping of a personal cash account, it is soon tired of and neglected. The seed fell on stony ground and sprang up, but the sun scorched it because it had not much root and it withered away.

The thrifty man, whose insurance is taken out because of a deeply rooted conviction of its value, will continue, while the improvident will lapse.

It was at one time generally held that lapsing members exercised an adverse selection against a company in that only those who were in good health would retire and the unhealthy or impaired remain, and that the eventual result of this selection would be an increased mortality experience. While there is no doubt that there is a certain degree of truth in this view, it is unquestionably the fact that the main cause of lapse is financial embarrassment. On the other hand, those who sustain their insurance are the prudent and prosperous, who are generally the most desirable risks, not only because of their ability to pay, but also for the reason that the same qualities of prudence and economy which engender thrift work to promote their physical well being also, and their continuance operates to maintain an average mortality as against the adverse selection to which we have referred.

In any honest inquiry into the causes of lapses our eyes should not be closed to the effect of the improper methods employed by some solicitors to obtain new business. By improper methods, I mean misrepresentation of policy contracts, such as selling a limited payment life contract for an endowment, rebating, twisting a policyholder from one company to another, overpersuasion to assume an obligation which obviously cannot be fulfilled, extravagant estimates, and the like, and they are all prolific of lapse. I do not mean to infer that these methods are peculiar to or are encouraged by any particular company. They force their noxious and unwelcome presence into every field.

It is an axiom of our business that prevention of future lapse should begin when the application is written. A company's reputation in any locality depends largely upon the character and methods of its solicitors. Its officers and field managers may be men of high standing and undoubted integrity, but it will be adjudged worthy or otherwise as it is reflected in the work of the solicitor. If the mirror be not true a distorted image will be presented. A solicitor who cheapens a policy he is trying to place by rebating a portion of the first year's premium destroys the confidence of insurers in his company. "Easy come, easy go" is an old adage, and true of our work, as of other things, and the natural result of rebated business is seen in the failure to collect the second year's premium. The practice renders full premiums in other cases more difficult of collection and discredits the agent, not only in his own community but at the home office also, for the company requires not only the form of production but the substance as well. If an application is procured in such a manner as to obtain the confidence of the applicant, the chances are that he will consult the agent before withdrawing, or taking other insurance elsewhere. In this connection I am reminded of a saying of Emerson's, that "Good, once put in action, or in thought, like a strong oak, doth from its boughs shake down the ripe germs of a forest."

We do not know where a recent writer, who is attracting considerable notoriety, obtained his data for the warning which he gives to policyholders not to lapse their insurance, claiming that that is just what the companies desire. Whether conceived in ignorance or mendacity the claim is absolutely false, for not only through the non-forfeiture provisions of their policies do the companies preserve the equities of lapsing members, but they strive to prevent lapse by offering every possible aid to continuance, such as temporary notes, premium loans, cash loans and premium extensions. At the present time thousands of Southern policyholders who cannot pay their premiums because of the low price of cotton are being carried by the companies, whereas if strict adherence to policy conditions were insisted upon they would be compelled to lapse.

Out of fifty-four policies examined, forty-seven allow thirty days' grace within which to pay premiums. The others have no grace clause, but have their own individual practice of aiding in the renewal of business, the general rule being to accept settlement of an overdue premium if tendered within thirty days after date, providing the policyholder is then in good health. My personal view is in accord with the minority practice in this regard. I do not believe that it is wise to incorporate a days of grace clause in the contract. General extensions of this character tend to encourage carelessness and negligence. In any individual case any reasonable accommodation can always be obtained upon written or personal request, and a system which permits temporary notes, premium liens and time extensions affords ample protection to all, while it places the opportunity and responsibility of renewal where they rightfully belong—with the member himself. Justice to all members requires the payment or other settlement of premiums upon their due dates, as the acceptance of overdue premiums will establish a custom upon which policyholders may reasonably rely. Companies have been held liable because of lax methods in this regard, and in some cases the "custom" has been successfully pleaded when death has occurred, and where, as a matter of fact, there was little doubt but that the delinquent intended to discontinue.

Let me direct your attention now and for a few moments only to the subject of reinstatement. You will readily appreciate that this is a branch of life insurance management demanding the most careful administration. Where a lapsed member desires to revive his insurance the question of motive must be considered, for the query naturally arises: why does he wish to renew? If no conditions were imposed many of those who, after lapse, had become sick or injured, would hasten to renew their membership and thus secure the full measure of the protection they had forfeited or diminished. A company must, therefore, in self defense require satisfactory evidence of insurability before reinstating a delinquent. In order to protect themselves against impaired risks, the practice of all the companies is to require a certificate of good health, to be signed by the policyholder and the local official examiner. Many companies require a written application for revival in addition to the health certificate. A regularly appointed examiner must be employed for the reason that, however, honest the family physician may be, his friendship and sympathy might have a tendency to influence his judgment. A complete re-examination is required by some companies when the request for revival is made more than six months after lapse.

The policies of the different companies contain varying clauses with respect to reinstatement. Out of fifty-four contracts examined seventeen agree to reinstate at any time after lapse, providing satisfactory evidence of good health is furnished and the overdue premiums, with interest, are paid; twenty-one limit the time within which policies may be reinstated to periods ranging from six months to five years after lapse; fourteen have no clause in their contracts, but reinstate upon proof of insurability. Some of the above have further limitations with respect to reinstatement within the deferred or tontine dividend period; while one provides that a tontine dividend policy cannot be restored as such later than sixty days after default. Some of the companies require the payment of any outstanding indebtedness against a policy, as well as the overdue premiums and interest. This practice hinders reinstatement, as it frequently requires the payment of a sum beyond the means of a policyholder. It is a simple matter of bookkeeping to adjust the loan on the reinstated policy, and it would seem to be better practice to require only the overdue premiums and interest and to reimpose the former liens. If the policy, before lapse, was sufficient collateral for the indebtedness it is certainly more than adequate after the payment of additional premiums.

Reviewing the whole subject, it appears that the present practice of the companies with respect to reinstatement is in keeping with the other liberal features of their contracts, and shows that they stand ready to welcome back into membership all who are insurable, rather than to take advantage of their temporary necessities or forgetfulness.

Many of the companies have recently organized home office departments for the revival of lapsed policies. The methods employed by the company with which I am connected are as follows: Our agents are requested to enter the names and addresses of all persons who fail to renew in the blank furnished for that purpose. We then forward a letter to these persons, regretting the loss to company and member, suggesting the possibility of aid, and inviting correspondence. We do not overlook the reply provoking influence of a 2 cent stamp and therefore enclose a stamped return envelope. If this brings an answer the status of the policy is investigated and an offer suitable to the situation is made. Another plan is to write a personal letter in every case where a policy has value, suggesting the disadvantage and loss to the member of discontinuing a policy upon which a stated number of payments has been made, the advantage of retaining the benefit of the rate for younger age, etc. In the past year 30 per cent. of these special cases were reinstated by the home office, while others were revived through the agencies after the receipt of our letter.

When a policy is reinstated through our efforts no reflection is cast upon the agent, for we base our work on the presumption that when a renewal receipt is returned for cancellation the agent has exhausted every means at his command to induce the continuance of the policy. When he fails, we take it up, and we succeed in reviving many cases, not because we can offer or do offer more, but because a personal communication from an officer is often esteemed a compliment. Members like to be noticed officially, and to feel that they are thus coming into close touch with the management. We, of course, do all that we can to encourage that feeling, and, in the event of revival, cheerfully turn the renewal commission over to the general agent. It is cheaper to do this than to replace a lapse with a new policy costing many times more.

In bringing this paper to a conclusion, let me say in all seriousness and with absolute sincerity of purpose that, aside from whatever pecuniary interest the companies may have in these matters of lapse and reinstatement, the officers are moved and controlled by this higher thought and motive: To safeguard policyholders against their own negligence, carelessness or misfortune, and to prevent, in so far as it is possible to do so, the loss of the protection to family and dependent ones which was planned for them and to which they are entitled.

Report of the Examination of the Northwestern Mutual Life by the Wisconsin Insurance Department.

A report of the examination of the Northwestern Mutual Life insurance company by the Wisconsin Insurance Department has been made public by Commissioner Host. The examination was conducted for the department by Mr. S. H. Wolfe. It began November 9, 1904, and continued to the end of January following, and was a verification of the company's annual statement of December 31, 1904, which exhibited admitted assets of $194,777,433.29 and unassigned funds or surplus of $7,276,778.76. The following are extracts from Mr. Wolfe's comments upon the items of the statement as found by him:

INCOME AND DISBURSEMENTS.

The company has an excellent system of having its accounts audited. Four times a year independent accountants who have no connection with the company, and in fact come from another city, visit the home office and verify the transactions of the company for the preceding quarter. This method of having the audit made independent of local influences is to be commended. In addition to this, once each year a committee of three from the board of trustees visits the home office to ascertain the presence of all of the assets which are claimed by the company.

One of the principal points to which I wish to direct your attention in this portion of the company's statement is the low commission rate which is paid to the agency force for the procurement of business. The low rate is not the result of bookkeeping methods whereby some of the cost of obtaining the business is charged to other accounts, but represents the actual condition of affairs. I also desire to call your attention to the economical manner in which this company administers its business at its home office. The salaries paid are moderate and the expenses of the company are kept well within the loading on its premiums.

ASSETS.

The real estate owned by this company consists of its home office property in Milwaukee and 132 parcels acquired under foreclosure proceedings. Each piece was carefully examined and appraised by competent real estate experts in the various localities in which the properties are situated. The home office building is a well built structure devoted almost entirely to the use of the company and maintained in most excellent condition. The appraisers selected to examine this property reported that notwithstanding that it had been constructed about twenty years ago, it showed absolutely no signs of deterioration, and in view of the many improvements which have been added since that time in the shape of ventilating plants, etc., the value of the building was included in their report at the actual cost of construction. The company up to this year has been carrying the land upon which the home office is built at the price at which it was acquired twenty years ago. As land has increased greatly in value in that section of the city since that time, it is but natural that the appraisers should report the value of this home office property at $1,010,000, while the company even now carries it upon its books at only $852,080.67. The outside properties are looked after in the same systematic and excellent manner by the real estate department. The net income received by the company upon this asset varies between 3½ and 4 per cent. Had the company been so disposed, this percentage could, of course, have been increased by charging itself with a larger rental for its own use and occupancy than it does at present. In fact, the reports of the appraisers indicate that the company is charging itself a very small rental for the floor space which it occupies.

The mortgage loans of the company were examined in detail. In each case the presence of the necessary papers was ascertained and appraisals were made by competent experts wherever it was deemed necessary. The careful and conservative manner in which these loans have been placed is indicated by the small amount of past due interest which in this and previous years has been outstanding on December 31.

The company has a thoroughly equipped abstract department in charge of the counsel of the company and his assistants, and I have no hesitation in saying that I have never seen the legal end of the investments of an insurance company looked after so systematically and with such fidelity to the interests of the policyholders as in this case. The security is always the first consideration and the interest rate the second. As all interest is collected directly from the mortgagor without the intervention of financial agents, it was deemed unnecessary to address the usual departmental circular to mortgagors. The records in this department are most complete and its administration is certainly to be commended.

The company has loaned about $16,500,000 to those policyholders who have their policies pledged as collateral. Each case was examined and the presence of the policy and the proper assignment ascertained. These loans are within the statutory reserve

(*Continued on page 245.*)

Life Insurance Business in Pennsylvania in 1904.

COMPANIES.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904 Amount.	Premiums Received.	Losses Incurred.
Companies of Pennsylvania.				
Fidelity Mutual Life	$6,827,973	$34,044,338	$794,482	$292,204
Penn Mutual Life	15,776,836	87,778,155	3,108,013	871,470
Presbyt'n Minist'rs Fund	334,975	1,897,603	66,199	14,000
Pittsburgh Life and Trust	2,590,150	4,619,757	147,121	5,850
Provident Life and Trust	6,845,088	69,139,891	2,575,784	592,297
Reliance Life	1,614,760	2,530,460	104,760	7,000
Security Trust and Life	408,474	2,992,021	149,301	69,736
Totals	$34,398,256	$193,022,225	$6,945,660	$1,882,557
Companies of Other States.				
Ætna Life	$1,941,533	$19,646,772	$740,690	$363,338
American Central Life	450,837	433,837	12,477	.....
Bankers Life	1,016,035	3,718,684	128,386	33,000
Baltimore Life { Ord	561,202	1,170,161	43,463	5,049
Baltimore Life { Ind	2,256,589	3,015,055	214,737	87 254
Berkshire Life	1,527 500	16,878,923	607,690	179,697
Canada Life	877,690	1,405,185	51,576	2,500
Conn. General Life	531,258	2,727,574	89,986	43,198
Conn. Mutual Life	2,190,842	16,951,072	506,997	385,296
Colonial Life { Ord	366,000	491,000	15,894	1,850
Colonial Life { Ind	2,742,879	1,910,240	66.594	12,159
Columb. Nat. Life { Ord	2,511,500	2,708,750	80,587	.....
Columb. Nat. Life { Ind	1,777,644	955,150	17,488	4 764
Equitable Life, N. Y.	19,703,287	139,825,837	4,597,962	1,681 205
Equitable L., Des Moines	307,500	1,581,916	63,405	9,092
Germania Life	542,900	3,709,673	146 092	118.199
Hartford Life	618,650	5,348,769	142,303	103,300
Home Life	880.543	6,608,833	283,020	71,653
Inter-State Life	1,184,036	2,396,586	154,134	8,621
Illinois Life	589,432	1,368,887	44,450	19,500
Kansas City Life	117,300	111,300	4,662	.....
J. Hancock Mut. L. { Ord	4,811,417	17,068,637	593,902	124 508
J. Hancock Mut. L. { Ind	6,147,204	30.045,561	1,057 442	336,362
Life Asso. of America	2,247,000	2,109,000	44,473	.....
Manhattan Life	1,786,129	6,394,089	190,485	149,436
Mass. Mutual Life	1,344.198	12,845,469	449,164	138,904
Maryland Life	56,706	152.106	6,834	600
Metropolitan Life { Ord	12,907,937	41.996,737	.....	342,095
Metropolitan Life { Ind	34,565.604	143,102,718	6,491,147	1,508.868
Michigan Mutual Life	1,043,448	3,458,786	136,238	37,513
Minnesota Mutual Life	66,703	689.216	23,478	2,000
Mutual Benefit Life	3,289,494	35,257,996	1,159,840	802,332
Mutual Life, New York	19,235.462	121,913.649	4,342,533	2,408,789
Mutual Life, Chicago	105.300	102,300	5,788	.....
Mutual Reserve Life	1,447.950	6,976.317	286,930	179,119
National Life, Montpelier	1,256 972	16,619,863	611.294	160,733
National Life, Chicago	633.672	1.797 428	58.344	38.112
New England Mut. Life	1.561,158	24,326.298	816 055	376.2 0
New York Life	17,080,891	105,529.516	4,400,759	1,472.627
Northwestern Mut. Life	4,947,582	50,889.352	1,819,839	638.894
North American Life	2,500	18,500	563	.....
Pacific Mutual Life	255.351	1 470.321	55.045	8.199
Phoenix Mutual Life	996.644	4,872 238	192.394	115.135
Provident Savings Life	1.784.194	7,582,169	293 362	87 941
Prudential { Ord	16,679.544	63.206 399	2,376.328	424.208
Prudential { Ind	40,622.376	152,194 437	5,920,945	1,774,757
Royal Union Mutual Life	90.500	632 200	24.251	.....
State Life, Indianapolis	623,082	2,495,204	81,084	7,000
State Mutual Life	817,678	8,827,406	313.643	97,947
Security Life and Annuity	2.219.000	4,823,000	198,781	8,000
Security Mutual Life	2,578,023	6.207,551	224.377	49.040
Sun Life, Canada	1,283.013	2,930,025	136.367	19,521
Travelers	1,897,945	23,249.419	641.361	311,191
Union Central Life	1,534 402	13.915,652	455 723	123 720
Union Mutual Life	663 337	3,318.534	110 950	48,409
United States Life	1,004,290	4,029.633	135,022	55.600
Washington Life	725.188	5,617.854	230.678	86,745
Western and South. Life	877,140	636.320	21,724	14,401
Totals	$230,814.211	$1,164,266,004	$41,920,436	$14,926,253
Grand Totals, 1904	$265,212.467	$1.357,288,229	$48,866,096	$16.808 810
" 1903	258,231.676	1,261,587.224	45,113.625	16.659,274
" 1902	234,684,302	1,142,854 315	40,623,710	14.781,654
" 1901	232.491,478	1,046,692,536	36,341,784	14.085,775
" 1900	213,728.175	955,319.580	32 914.047	12.577,337
" 1899	203,321.780	867,973.742	29,490,444	12.443,837
" 1898	158,537,501	760,706,565	26,055,924	10,192,828
" 1897	156,969.467	711.356,481	24,884 093	10,443.944
" 1896	135,960.089	664,517,765	23,151,980	9,249,045
" 1895	136.689,887	634,053,748	21,930,084	7,950,916
" 1894	174,596,307	610,071,498	20,578,048	9.280.108
" 1893	149.539,918	580.834.941	19,648,928	7,949,518
" 1892	125.345.289	529.283,807	18,092,454	7,231 469
" 1891	112.264.053	486.719.502	16,816.998	6,986,034
" 1890	120.355.272	448,933.305	15,636.353	6,348 125
" 1889	95,201 016	400.471.979	13.887.536	5,673,370
" 1888	96.642,519	358,394,122	13,078 071	5 851,829
" 1887	85,025,825	334,983,108	10,855,356	4,174,988
" 1886	74,089.790	296.163 937	9,484,526	4 133,877
" 1885	60,436,972	265,489,998	8,236.427	3,918.143
" 1884	48,957,711	239 165 548	7,402,520	3,661 284
" 1883	46,474,312	222,165,824	6,538,978	3,679,982

We are indebted to *The Insurance World* for the figures from which the business of 1904 was compiled.

Life Insurance Business in Maryland in 1904.

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Paid.
Ætna, Conn	324	$574,437	3,431	$6,666,303	$269,320	$98,989
Baltimore Life	238	134.191	391	263,426	*280,226	*133,873
Bankers, New York	24	56,549	317	1,044,770	35,634	20,000
Berkshire, Mass	50	129,000	395	1,182,150	42.403	51,735
Columb. Nat., Mass.	107	666,000	109	735,000	20,699	.....
Conn. Mut., Conn	77	213,489	790	2,909,899	98,592	109,180
Equitable, N. Y	795	1,779,480	5,235	14.767,376	569,370	184,878
Fidelity Mut., Pa	125	194.482	671	1,308,394	46,915	35.000
Germania, N. Y	12	36,500	313	728,496	24,941	25,031
Home, N. Y	35	98,400	312	893,901	30,472	114
John Hancock	446	676.976	1,063	2,026,015	*237,761	*72,516
Manhattan, N. Y	50	88,227	222	436,269	15,295	18,367
Maryland, Md	195	472,954	1,391	3,470 688	116,000	85,796
Mass. Mut., Mass	152	274.831	994	2,402.501	88,107	67,623
Metropolitan	3,003	2,630,435	9 856	7,854,674	1,520,434	431,276
Mich. Mut., Mich	82	179,622	359	782,049	25,167	6,950
Mutual Benefit	227	709,287	1,815	5,119,312	170,902	116,472
Mutual, N. Y	1,383	3,232,637	7,934	19,429,072	648,465	394,401
Mut Reserve, N. Y.	45	186,592	433	1,281,747	49,710	46,577
National, Vt	361	529.336	1,199	2.233,202	88,976	3,500
New Eng., Mass	186	347 997	1.881	4,801.349	174,704	57.048
New York, N. Y	1,437	2,898,531	6,851	16,657.985	651,726	311,604
N'west'n Mut., Wis.	301	1,051.250	3,441	12,052,300	486 637	230,722
N. America, Can	19	28,500	30	56,000	3.096	.....
Penn Mut. Life, Pa	124	304,870	1,244	3,394,776	130,332	74,899
Phœnix Mut., Conn	76	135,035	357	835,763	31.892	8,500
Provid't L & T., Pa	240	679,843	3.093	10 481,015	384,914	91,206
Provid't Sav., N. Y	76	137,184	249	595,795	20,808	6,000
Prudential	1,071	1,185,046	3,319	3,929,099	*706,683	*177,919
Reliance, Pa	4	4,000	4	4,000	184.026	.....
Security L & T., Pa.	68	112,595	276	438 189	21,542	6,000
Security Mut., N. Y.	47	107.632	205	423,609	14,009	6,000
State Mut., Mass	125	301.998	1,641	3,886 154	143.828	54,032
Sun, Canada	178	201,082	488	456.274	15,249	1,191
Travelers, Conn	141	352,272	664	1,889,441	56,719	22,688
Union Central, Ohio	123	205 250	785	1,568,451	63 806	1,000
Union Mutual, Me	78	158 502	425	606,507	19.272	7,167
United States, N. Y.	70	179,000	527	1,164,186	35.439	33,600
Washington, N. Y	57	169,709	313	664,718	21,624	16,090
Totals, 1904	183 660	$41,660,747	655,776	$204,643,916	$7,739 405	$3,127,232
Grand Totals, 1904	12,050	$22,056.315	85.003	$138.430,754	$7,336,873	$3.088.051
" 1903	11,877	19.117,384	56.348	126,965,533	5,921,075	2,473,065
" 1902	10,953	21,666.128	51,512	121.576.991	5,607,817	1,533,672
" 1901	11.757	21,061,223	45,542	113,311.132	5.060,139	1,831,778
" 1900	8,694	18.638,176	38,962	102,575.240	4,584.055	1,256,068
" 1899	8.520	18 894,806	35.476	95.246.975	4,175.729	1,667,308
" 1898	6,760	14.134 063	30,622	87.249,006	3.853 332	1,580,025
" 1897	5,408	12.292 582	28,273	83.809,574	3,547 953	1,503,843
" 1896	4,617	11,173.656	25 668	78 701,852	2.591 991	1 383,398
" 1895	4,465	11,772 303	19.976	76.336.383	2,426,047	1,635.402
" 1894	4,439	12,568 790	23 754	74,005.952	2.531 944	1,072.681
" 1893	4,391	13.675 528	20,256	69.515,603	2,179.938	1,171,272
" 1892	4,232	15.431,187	19 864	63.587,912	2,140.381	1,479.445
" 1891	3,432	9,971,141	23,749	57.840.191	1,877,754	1,015,531
" 1890	3,396	8,219,041	22,411	54,066,689	2,407,836	1,451.989
" 1889	2.879	7,079,702	21,864	50.120,381	2,105,951	1,191,060
" 1888	1,843	6 627,358	15,500	46.391 332	1,873,315	948,432
" 1887	1,667	5,741,763	16.108	44.957,953	1,697,856	971.337
" 1886	1.436	5,385,046	14,711	43,746 806	1,470.605	873,982
" 1885	1.335	4,567,303	15.730	41,187.847	1,242,314	957,983
" 1884	1,338	4 037 395	14,689	40.621,234	1.200,541	797,033
" 1883	1,486	4,147.117	13,777	38,423,366	1,097,819	779,969
" 1882	1,337	4,360,396	13,883	38,240,155	1,122,010	780,196

Industrial business in 1904, not included in the above, was as follows: Baltimore Life, policies issued, number, 22,033; amount, $2,109,753. John Hancock, policies issued, number, 9,842; amount, $1,598,163. Metropolitan, policies issued, number, 53,450; amount, $7,406,565. Prudential, policies issued, number, 37,809; amount, $4,382,579. Mutual Life of Maryland, policies issued, number, 18 552; amount, $2,016 918. Immediate Benefit of Baltimore, policies issued, number, 13,339; amount, $1,233,420. Eureka, Baltimore, policies issued, number, 16,726, amount, $856,634.

* Including receipts or losses from industrial business.

We are indebted to the *Baltimore Underwriter* for the returns of 1904.

Fire Insurance Business in Rhode Island in 1904.

(From a Preliminary Report by the Insurance Commissioner.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Companies of Rhode Island.			
Equitable Fire and Marine, Providence	$3,125,322	$29,702	$18,426
New England Lloyds, Providence	1,509,335	7,425	4,998
Providence Washington, Providence	8,063,344	72,192	34,648
Totals	$12,698,001	$109,319	$58,072

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Companies of Other States.			
Ætna, Hartford	$7,798,936	$50,837	$35,679
Agricultural, Watertown	1,255,400	10,232	6,108
Albany, Albany	318,793	4,301	2,626
American, Boston	510,044	3,912	5,811
American, Newark	2,059,347	23,328	15,490
American Fire, Philadelphia	959,431	11,878	11,164
American Central, St. Louis	733,315	9,727	7,761
Assurance Co. of America, New York	280,124	2,029	5,499
Boston, Boston	1,994,122	24,023	24,869
British American, New York	41,453	437	31
Buffalo Commercial, Buffalo	249,350	2,869	3,981
Buffalo German, Buffalo	1,148,077	10,007	10,422
Caledonian American, New York	55,900	668	10
Camden, Camden	605,331	7,338	4,216
Capital Fire, Concord	264,277	2,971	1,957
Citizens, St. Louis	1,041,191	8,429	14,223
Commerce, Albany	350,959	4,009	3,283
Commercial Union Fire, New York	126,312	1,516	7
Concordia Fire, Milwaukee	235,84[illegible]	2,851	4
Connecticut Fire, Hartford	1,612,400	19,671	15,628
Continental, New York	2,864,074	35,316	29,624
Delaware, Philadelphia	529,523	6,553	9,635
Dutchess, Poughkeepsie	517,699	4,371	4,284
Farmers, York, Pa	212,458	2,142	1,807
Federal, Jersey City	490,132	3,520	5,856
Fire Association, Philadelphia	1,932,403	19,537	18,326
Firemen's, Newark	926,161	8,989	8,486
Fireman's Fund, San Francisco	1,926,142	18,505	12,014
Franklin Fire, Philadelphia	426,988	5,002	3,581
German, Freeport, Ill	928,370	9,798	6,464
German Fire, Indianapolis	47,000	240	.....
German Alliance, New York	1,954,217	13,795	16,332
German-American, New York	4,322,793	43,527	32,433
Germania Fire, New York	959,650	11,611	6,781
Glens Falls, Glens Falls	448,315	4,282	1,706
Globe and Rutgers Fire, New York	297,802	3,318	11,960
Granite State Fire, Portsmouth	556,721	5,932	6,674
Hanover Fire, New York	2,258,28[illegible]	16,542	13,740
Hartford Fire, Hartford	5,062,59[illegible]	41,097	51,486
Home, New York	4,688,766	41,562	35,512
Home Fire and Marine, San Francisco	560,547	5,973	3,962
Indemnity Fire, New York	92,452	1,279	35
Insurance Co. of No. America, Phila.	5,281,810	62,015	27,812
Mechanics Fire, Philadelphia	315,763	3,457	2,512
Mercantile Fire and Marine, Boston	349,556	4,166	2,275
Milwaukee Mechanics, Milwaukee	338,535	4,703	2,825
National Fire, Hartford	3,736,431	25,669	18,047
National Union, Pittsburgh	826,233	10,278	3,973
New Hampshire Fire, Manchester	2,425,198	19,217	15,884
New York Fire, New York	612,237	2,974	6,058
Niagara Fire, New York	2,133,921	19,477	16,625
Northern, New York	489,097	5,699	2,710
North British and Mercantile, N. Y.	442,381	2,194	190
North River, New York	900,192	11,068	7,369
Northwestern National, Milwaukee	290,020	2,439	539
Orient, Hartford	681,778	4,290	5,043
Pelican, New York	99,687	1,451	6,281
Pennsylvania Fire, Philadelphia	1,365,297	18,738	16,691
Phenix, Brooklyn	2,247,742	19,211	18,133
Phœnix, Hartford	2,891,623	26,065	20,551
Queen, New York	1,522,611	11,529	10,297
Reliance, Philadelphia	560,624	5,003	3,382
Rochester German, Rochester	869,821	11,227	8,373
Security, New Haven	860,815	7,057	3,926
Springfield F. and M., Springfield	1,653,714	19,204	12,231
Spring Garden, Philadelphia	308,611	4,139	4,082
Star Fire, Louisville	113,597	1,871	.....
St. Paul Fire and Marine, St. Paul	470,500	4,663	7,145
Teutonia, New Orleans	517,898	4,809	2,899
Traders, Chicago	889,452	10,661	11,285
Union, Philadelphia	653,466	5,173	2,867
United Firemen's, Philadelphia	492,388	6,419	3,268
United States Fire, New York	689,060	6,360	4,675
Westchester Fire, New York	827,677	12,779	11,919
Western, Pittsburgh	284,686	2,460	3,930
Williamsburgh City Fire, New York	821,174	10,026	6,699
Totals	$90,606,688	$870,405	$719,638
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle	$311,231	$4,238	$4,980
Atlas, London	557,697	5,142	4,341
British America, Toronto	553,009	6,609	5,585
Caledonian, Edinburgh	448,659	6,922	6,138
Commercial Union, London	1,544,080	11,769	17,753
Hamburg-Bremen, Hamburg	1,560,985	17,178	20,013
Law Union and Crown, London	344,512	1,880	1,436
Liverpool and London and Globe, Liv.	4,934,211	53,195	42,770
London and Lancashire, Liverpool	1,702,695	12,848	6,381
London Assurance Corp., London	544,555	7,721	513
National, Dublin	598,312	8,321	7,546
North British and Mercantile, London	2,975,992	21,171	17,416
Northern, London	1,988,922	12,395	17,252
Norwich Union, Norwich	1,658,210	14,145	11,995
Palatine, London	352,282	3,962	8,695
Phœnix, London	722,762	8,350	11,734
Prussian National, Stettin	903,352	7,995	6,940
Royal, Liverpool	4,482,752	37,138	24,349
Royal Exchange, London	2,033,232	13,973	13,566
Scottish Union and Nat., Edinburgh	3,424,364	15,812	22,284
Skandia, Stockholm	1,244,597	8,495	2,554
State Fire, Liverpool	$235,652	$1,372	$2,652
Sun, London	1,676,520	21,713	18,810
Svea, Gothenburg	278,503	3,618	7,398
Union, London	1,079,079	6,624	9,713
Western, Toronto	1,930,965	11,883	5,940
Totals	$38,087,120	$323,869	$298,754
Grand Totals, 1904	$141,392,558	$1,303,593	$1,076,464
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$143,067,684	$1,375,678	$448,800
1902	138,211,940	1,251,848	401,022
1901	131,774,623	1,100,988	534,115
1900	144,296,656	1,135,653	831,548
1899	127,023,035	1,078,943	559,080
1898	119,160,778	1,027,826	481,263
1897	117,490,314	1,067,648	365,706
1896	112,052,601	956,920	556,959
1895	97,554,506	968,178	257,474
1894	90,434,532	940,054	493,909
1893	91,295,913	913,842	750,670
1892	93,346,675	892,543	502,187
1891	91,825,443	844,259	591,304
1880 to 1890, inclusive	695,587,859	7,242,125	3,530,867

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 51.1. The percentage in 1904 was 82.6.

Mill mutual fire insurance companies wrote $ 18,530,589 in Rhode Island in 1904; received, $1,751,242; paid, $168,689.

Fire Insurance Business in New Hampshire in 1904.

(Compiled from a Preliminary Report by the Insurance Commissioner.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Cash Mutuals of New Hampshire.			
Concord, Concord	$1,290,601	$20,806	$9,887
Manufact'rs and Merchants, Concord.	2,088,051	35,691	17,624
Total	$3,378,652	$56,497	$27,512
Stock Companies of New Hampshire.			
Capital, Concord	$1,226,20[illegible]	$63,973	$27,811
Fire Underwriters Manchester	643,853	9,636	5,101
Granite State Fire, Portsmouth	14,544,413	180,033	70,850
New Hampshire Fire, Manchester	15,951,996	222,130	96,163
Portsmouth, Portsmouth	844,792	10,224	5,164
State Dwelling House, Concord	209,950	2,036	740
Total	$36,421,924	$488,031	$205,830
Stock Companies of Other States.			
Ætna, Hartford	$5,355,814	$80,375	$31,189
Agricultural, Watertown	244,500	3,760	1,056
American Central, St. Louis	895,271	14,633	12,076
American, Boston	852,850	12,254	2,723
American, Newark	434,624	5,486	3,415
Assurance Co. of America, N. Y.	184,940	2,416	1,685
Boston, Boston	1,024,888	19,896	7,798
British American, New York	36,916	568	227
Commercial Union, New York	87,800	836	219
Connecticut Fire, Hartford	605,600	9,970	1,642
Continental, New York	2,544,110	45,239	15,675
Delaware, Philadelphia	250,288	4,833	790
Equitable Fire & Marine, Providence.	207,795	2,868	76
Federal, Jersey City	95,049	1,456	548
Fire Association, Philadelphia	1,400,324	24,454	10,133
Fireman's Fund, San Francisco	1,580,384	19,325	7,535
Firemen's, Newark	769,502	10,670	6,094
Franklin Fire, Philadelphia	203,467	3,195	851
German Alliance, New York	100,292	1,558	411
Germar-American, New York	2,059,587	24,708	12,791
Germania Fire, New York	422,330	5,528	647
Glens Falls, Glens Falls	253,472	3,429	1,220
Hanover Fire, New York	791,744	10,606	4,471
Hartford Fire, Hartford	2,947,946	36,569	13,610
Home New York	5,515,041	51,959	52,529
Home Fire and Marine, San Francisco	243,555	3,468	935
Indemnity Fire, New York	62,790	1,116	7
Insurance Company of North America	5,595,250	95,182	38,864
Mercantile Fire and Marine, Boston	635,911	10,178	7,210
National Fire, Hartford	3,124,925	31,838	8,405
Niagara Fire, New York	1,683,013	31,767	8,763
Orient, Hartford	837,788	12,434	12,592
Pelican, New York	40,700	675	33
Pennsylvania Fire, Philadelphia	675,701	12,264	2,353
Phenix, New York	1,444,260	20,159	6,568
Phœnix, Hartford	2,614,882	27,950	9,769
Providence-Washington, Providence	2,013,475	13,778	3,823

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Queen, New York	$991,075	$16,657	$4,136
Security, New Haven	278,210	4,115	415
Springfield F. and M., Springfield	2,207,832	27,412	11,663
Traders, Chicago	623,497	11,286	3,092
United Firemen's, Philadelphia	519,232	8,173	878
United States Fire, New York	334,399	4,884	679
Victoria Fire, New York	89,247	849	41
Westchester Fire, New York	647,419	10,961	4,486
Williamsburgh City Fire, New York	805,480	12,174	5,873
Totals	$54,441,117	$753,896	$319,961
Mutual Companies of Oher States.			
Fitchburg, Fitchburg	$1,020,000	$13,718	$4,970
Merchants and Farmers, Worcester	570,947	7,770	2,660
Merrimac, Lowell	494,671	7,256	2,994
Providence, Providence	479,671	6,098	3,153
Quincy, Quincy	347,535	5,482	2,752
Traders and Mechanics, Lowell	837,960	12,305	6,083
Totals	$3,750,804	$52,629	$22,612
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle	$287,847	$4,731	$1,335
Atlas, London	301,592	5,230	.....
British America, Toronto	439,859	8,107	771
Caledonian, Edinburgh	639,002	10,259	6 568
Commercial Union, London	1,139,722	17,533	8.868
Hamburg-Bremen, Hamburg	369,018	6,141	3,080
Law Union and Crown, London	99,811	1,137	109
Liverpool and London and Globe, Liv.	3,293,452	32,638	7,049
London Assurance Corporation	405,033	6,430	1,669
London and Lancashire, Liverpool	1,616,602	24 192	14,172
Moscow Fire, Moscow	188,983	1,905	601
Munich Reinsurance, Munich	2,027,115	29,930	14,669
National, Dublin	407,610	7,960	3,815
North British and Mercantile	1,636 640	17,620	4,721
Northern, London	909.530	13 181	6 373
Norwich Union, Norwich	835,089	12,722	5,080
Palatine, London	321,279	3 839	439
Phœnix, London	582,296	9 633	4,154
Rossia, St. Petersburg	64,398	817	9
Royal Exchange, London	580,529	7 549	7,252
Royal, Liverpool	2,891,433	42,711	25,255
Salamandra, St, Petersburg	326,870	4,666	1,363
Scottish Union and National, Edin	663 070	9,668	2,854
Skandia, Stockholm	436,719	5,029	3,957
State Fire, Liverpool	64,404	681	23
Sun, London	477,640	10,120	2,085
Union, London	512,279	5.587	16
Western, Toronto	1,940,781	19,523	4,902
Totals	$23,458,603	$319,540	$131,146
Grand Totals	$121,451,100	$1,670,593	$730,760
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$116,764,732	$1 633,907	$1,062 027
1902	115,041,146	1.653,890	882,062
1901	108,148,545	1 396,654	813,597
1900	94,305,608	1,177,072	746,360
1899	89,822,232	1,190,345	645.948
1898	81 202,253	1,043,401	551,187
1897	80,240,576	1,069 679	487 667
1896	112,052.011	956,920	556,059
1895	97,554,506	968,178	257,474
1894	90 434,532	940,054	493,909
1893	91,295,913	913,842	750,670
1892	93.346,675	892,543	502,187
1891	91,825,443	844,259	591,304
1880 to 1890, inclusive	695,587,859	7,242,125	3,530,867

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 53.0. The percentage in 1904 was 43.7.

Fire Insurance Business in Wisconsin in 1904.

Compiled from the Preliminary Statement of the Insurance Commissioner.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Stock Companies of Wisconsin.			
Concordia Fire, Milwaukee	$9,689,143	$121,270	$23,253
Germantown, S. Germantown	1,391,250	21.384	4,957
Milwaukee Fire, Milwaukee	4,024,910	57,681	16.412
Milwaukee Mechanics, Milwaukee	13,450 434	181,131	61,316
Northwestern National, Milwaukee	14.076.810	146,763	39,463
United American Fire, Milwaukee	2,245,885	28,656	6,481
Totals	$44,878,432	$556,888	$151,883
Mutual Companies of Wisconsin.			
Herman Farmers, Herman	$3,042,963	$25,513	$14,245
Stock Companies of Other States.			
Ætna, Hartford	$9.584,132	$100,510	$18,807
Agricultural, Watertown	2,287,200	34,796	15,305
Allemannia Fire, Pittsburgh	678,751	12,908	8,630
American Central, St. Louis	3,751,016	75,512	32,352
American Fire, Philadelphia	3,192,984	50,404	17,126
American, Boston	633,511	14.250	8,733
American, Newark	9,204,610	161,558	58,486
Anchor, Cincinnati	344,140	13,973	2,704
Assurance Co. of America, New York	1,062.784	16,350	7,032
Atlanta-Birmingham, Atlanta	545,064	15,328	705
Boston, Boston	1,749,649	4,814	2.464
British American, New York	974,467	20,952	5,903
Buffalo Commercial, Buffalo	483,210	7,378	3,705
Buffalo German, Buffalo,	1,557,536	19,372	3,841
Camden Fire, Camden	1,519,497	35,690	9,440
Capital Fire, Concord	1,536,330	24,426	3,912
Citizens, St. Louis,	2,537,164	55,271	19,475
Colonial, New York	830,117	22,238	9,600
Commerce, Albany	561,010	8,393	1,741
Commercial Union Fire, New York	758,205	13,410	5,794
Commonwealth, New York	1,411,425	14.896	2,923
Connecticut Fire, Hartford	5,014,474	94,715	37 934
Consolidated, Albert Lea, Minn	1,009,392	17,542	7,286
Continental, New York	6,899,161	114,800	39 661
Delaware, Philadelphia	1,517,520	23 044	9,929
Detroit Fire and Marine, Detroit	2,195,890	24,575	9,819
Dubuque Fire and Marine, Dubuque	2,006,706	37,517	19,130
Dutchess, Poughkeepsie	391,942	7,424	4,468
Eastern, Atlantic City	147,067	2,574	16
Equitable Fire and Marine, Prov	2,571,753	45,903	18,924
Farmers and Merchants, Lincoln	889,926	16,650	2,962
Federal, Jersey City	1,333,000	20.315	1,071
Fire Association, Philadelphia	7,287,495	152,170	51,487
Fire Ins. Co. of Co. of Philadelphia	1,175,861	23,005	4,451
Fireman's Fund, San Francisco	4,464.893	76,195	24,958
Firemen's, Newark	5,241,982	24.220	5,857
Franklin Fire, Philadelphia	882,227	14 999	4,463
German Alliance, New York	2,744,359	50,751	12,383
German-American, New York	7,978,400	144,796	43.891
German Fire, Indianapolis	2,385,941	45,730	11,393
German Fire, Peoria	1,802 072	31,556	11,835
German Fire, Pittsburgh	199,644	16,755	4,436
German, Freeport	9,342,401	133,131	38,041
Germania Fire, New York,	5,369,701	67,685	19 448
German National, Chicago	2,040,059	39,105	10,706
Girard Fire and Marine, Philadelphia	993,403	16,687	9 056
Glens Falls, Glens Falls	2,549,959	30 005	11,779
Globe and Rutgers, New York	1,527,445	40,481	6,523
Hanover Fire, New York	5,342,574	108,081	33,382
Hartford Fire, Hartford	18,825,469	363,321	137,255
Home F. and M., San Francisco	1,894,391	34,722	12,670
Home, New York	16,667,235	257,579	97,080
Indemnity Fire, New York	365 225	8,456	1,538
Indianapolis Fire, Indianapolis	986,943	26,681	7,241
Insurance Co. of North America	10,845,062	152,122	59,894
In. Co of State of Illinois, Rockford	3,270,463	48,656	26,417
Liverpool and Lon. and Globe, N Y	729,858	15 541	5,790
Lumbermen's, Philadelphia	953,712	18,926	3,487
Mechanics, Philadelphia	1,269,237	25,238	9,987
Mercantile Fire and Marine, Boston	511,751	19,228	6,050
Metropolitan Fire, Chicago	263 869	14,114	1,232
Michigan Fire and Marine, Detroit	1,359,449	27,187	3,741
Nassau Fire, Brooklyn	763,705	10,343	310
National, Allegheny	732,669	14,905	2,860
National Fire, Hartford	9.472,379	131,017	44,725
National Union Fire, Pittsburgh	2,434,186	42,158	10,612
Newark Fire, Newark	580,825	9,567	4,206
New Hampshire Fire, Manchester	4,562 523	57,444	18,234
New York Fire, New York	1,114,019	17,600	6,623
Niagara Fire, New York	4,238,586	83,309	29,899
North British and Mercantile, N. Y	475,528	10,430	57
North German Fire, New York	1,192,957	32,688	9,739
North River, New York	1,085,683	18,790	2,839
Northern, New York	486.708	9,932	5,852
Northwestern F. & M., Minneapolis	70.095	1,279	.....
Orient, Hartford	3,180,688	54,759	19,215
Pelican, New York	372.633	9,819	1,940
Pennsylvania Fire, Philadelphia	4.054 270	70,647	23,349
Phenix, New York	19,542,879	333,371	129,176
Phœnix, Hartford	11,126,266	149,756	54,069
Pittsburgh Fire, Pittsburgh	397,044	6.639	1,708
Providence-Washington, Providence	3.703,334	58,474	19,811
Queen, New York	5 615,192	118,225	43.935
Reliance, Philadelphia	1.536,687	23,277	4,790
Rochester German, Rochester	2,771,443	55,569	17,364
St. Paul Fire and Marine, St. Paul	7,982,762	93,212	37,761
Security, Baltimore	639,471	11,923	244
Security, New Haven	6,127,036	90,636	30,345
Spring Garden, Philadelphia	2,334,292	58,685	15,863
Springfield F. and M., Springfield	7,724,383	137,845	44.977
Star Fire, Louisville	175,100	4,365	.....
Teutonia, New Orleans	925,250	13,743	4,927
Traders, Chicago	3,323,576	82,247	20,709
Union, Philadelphia	1,012,531	16.591	8,298
United Firemen's, Philadelphia	1,319,647	22,870	6,621

COMPANIES.	Risks Written.	Premium Received.	Losses Paid.
United States Fire, New York	$1,041,633	$15,398	$3,088
Westchester Fire, New York	4,608,510	72,240	28,170
Williamsburgh City Fire, New York	2,334,323	38,305	9,685
Totals	$307,513,515	$5,132,669	$1,758,350
Mutual Companies of Other States.			
Cent. Manufact'rs Mut., Van Wert, O	$697,708	$12,663	$3,321
Farmers Fire, York	1,168,693	20,481	6,754
Lumber Mutual Fire, Boston	170,650	4 299	894
Merchants Mutual, Redfield, S. Dak	305,125	4,574	1,515
Michigan Mutual, Lansing, Mich	1,093,428	23,433	2,429
Millers' Mutual Fire, Alton, Ill	41,500	4,506	.....
Millers National, Chicago	1,285,833	45,681	13,455
Totals	$4,762,937	$115,637	$28,368
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle	$2,041,330	$40,762	$13,507
Atlas, London	2,520,548	42,681	9,013
British America, Toronto	4,023,020	71,224	37,584
Caledonian, Edinburgh	860,758	14 681	4,935
Commercial Union, London	12,642,890	155,523	84 140
Hamburg-Bremen, Hamburg	2,696,060	55,780	22,969
Law Union and Crown, London	471 798	10,654	2,343
Liverpool and London and Globe, Liv.	9,886,710	171 352	52,282
London Assurance Corporation	3,753,701	55,895	20,056
London and Lancashire, Liverpool	4,778,340	80,980	33,043
National, Dublin	1,019,726	22,985	12,278
North British and Mercantile	6,749,161	124,498	45,273
Northern, London	5,826,399	90,522	30,387
Norwich Union, Norwich	3,820 820	74,677	31,208
Palatine, London	2,907,900	51,948	11,773
Phœnix, London	3,272,789	72,951	33,399
Prussian National, Stettin	3.424,244	55,428	12 830
Royal Exchange, London	2,761,341	41,071	9,774
Royal, Liverpool	10,032 132	181,338	62,714
Scottish Union and Nat., Edinburgh	2,831,839	55 247	14,211
State, Liverpool	277,685	6,750	2.330
Sun, London	4,788,694	63.516	15,059
Svea, Gothenburg	1,208,951	28,604	14.904
Union, London	1,696,162	38,451	8.106
Western, Toronto	10 448,736	133.500	48,529
Totals	$104,741,685	$1.741,026	$627,647
Grand Totals	$164,939,532	$7,571,674	$2,580,491
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$436,869 338	$7,344,656	$3,379,454
1902	397,008,059	5,884,544	2,223,773
1901	383.682,262	5 241,571	2,884,153
1900	381,888,615	5,049,132	2,633,244
1899	344,924,622	4,500,713	2,289,624
1898	315,255,053	4,303,621	1.869,538
1897	292,895,316	4.218,525	1,600,554
1896	271,402.055	4,255,283	1,833,119
1895	276.592 519	4,438,985	2,995,474
1894	260 086,892	4,323,644	2,823,431
1893	285.731,375	4,429 768	3,124,270
1892	279 587,965	4,140.420	3,333,970
1891	250.419,473	3.514.517	1.517,358
1880 to 1890	2,000,873,867	27,501,600	16 361,296

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 52.5. The percentage in 1904 was 34.0.

(*Continued from page 241.*)

and as such constitute one of the best and most remunerative assets of the company.

The bonds owned by the company, amounting to nearly $71,000,000, consist of gilt edged Government, municipal and steam railway bonds, and among the last named is found none which is a second mortgage bond or a bond issued upon the deposit of the stock of railroads as security. The company does not invest its funds in street railway, electric light or industrial corporation bonds. The market value of its securities is readily ascertainable, and if necessary could be readily converted into cash. It has taken every precaution to safeguard these bonds by having them registered in the name of the company whenever such course was possible, and whenever the terms of the bond did not admit of such a procedure a rubber stamp has been placed upon the security to prevent its negotiation by unauthorized persons. I particularly desire to direct your attention to the fact that there is not one cent of the funds of the Northwestern Mutual Life insurance company invested in the stock of any corporation. It is not interested in the success or failure of any subsidiary or auxiliary institutions. There is no past due interest on any of the bonds owned by this company.

LIABILITIES.

The company is a mutual organization in the strictest and best sense. It issues annual dividends and semi-tontine policies. All the policyholders of the same class, whether they hold annual dividend contracts or semi-tontine contracts, receive the same dividend each year, i. e., two policyholders aged thirty-five holding twenty payment life policies, one upon the annual dividend basis and the other upon the deferred dividend basis, will receive each year exactly the same dividend apportionment. In the latter case, however, the unpaid dividends are accumulated at interest and constitute the tontine fund. The company does not, however, compel the policyholder at the time that a policy is issued to him to make a selection of the manner in which the dividends are to be paid. At the end of the second year (when the first dividend is apportioned) the policyholder receives notice of the amount of such dividend and is requested to indicate the manner in which he wishes it applied, i. e., as a cash payment upon his next premium, as a reversionary addition or as the beginning of his semi-tontine accumulation. This, you will perceive, removes the policyholder from any influence of the agent who might desire, for various reasons, to write semi-tontine contracts instead of annual dividend ones. The result of this method is obvious. In 1903 of all the policyholders (whose contracts were, of course, issued in 1901) only 768 took the semi-tontine option. In 1904 only 579 took anything but the annual dividend method of settlement. It has become a serious question in my mind whether these results do not indicate that the semi-tontine classes are becoming too small to justify the continuance of this method of distribution. From the foregoing remarks it will be apparent to you that the company apportions each year to each policyholder his share of the surplus according to the rules and methods of the company. At any point in the history of a semi-tontine contract the company can tell exactly how much surplus is standing to its credit. Its principles of distribution are, in my opinion, conservative and equitable.

The surplus funds of this company are nearly $600,000 more than it claims, the principal items of difference, as found by me, being the excess value of real estate over its book value and the accrued interest on its deposit in bank, for which no claim has been taken in the statement.

CONCLUSION.

This is a company operated by the policyholders and for the best interests of the policyholders. Its business is procured under the supervision of the officers of the agency department at a low cost and at a rate which does not involve a sacrifice of the funds of old policyholders for the purpose of putting new ones upon the books. The members of the agency force in the field seem to co-operate with the home office management in placing upon the books a most desirable class of risks. The medical department is capably and efficiently officered, as results show, for the mortality experience of this company has been very favorable. The losses experienced have been less than 70 per cent. of the tabular or expected loss for a number of years. The medical director is given absolute and untrammeled control of his department, and is subjected to no interference upon the part of other officers. The legal, actuarial and executive departments have efficient heads, who jealously guard the interests of the policyholders.

Although an examination of this kind naturally was an interference to the routine work of the office, the officers and employees gave me every assistance within their power and complied cheerfully with my requests. Every suggestion for any improvement in the company's methods and system was promptly accepted and put into execution. The amount of detail involved in the care of the company's business may be judged from the fact that it had in force on December 31, 1904, 299,730 policies, insuring $708,552,287.

The Employers' Liability Assurance Corporation

(LIMITED),

OF LONDON, ENGLAND.

Total Available Resources, $6,816,020.00

$1,971,756.98 deposited in the United States for the benefit of United States Policyholders.

SAMUEL APPLETON, U. S. Manager and Attorney,
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EDMUND DWIGHT, Resident Manager for New York State,
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Northern Assurance Company,

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EASTERN AND SOUTHERN DEPARTMENTS,

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Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office 50 and 52 Pine Street.

New York City.

STATEMENT JANUARY 1, 1904.

Assets	$1,734,353.51
Liabilities	992,722.08
Net Surplus in the United States	$741,631.43

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

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Phœnix Assurance Company, Ltd.,

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FIRE INSURANCE ONLY, LOSSES PAID, OVER $135,000,000.

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THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.

GEO. R. CALLIS, Sec'y and Treas.

ISIDOR RAYNER, General Counsel.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.

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United States Branch: Hartford, Conn.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

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J. M. LEE, Actuary. THEO. L. ALLEN, Sec.

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FORTY-FOURTH YEAR.

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OF PHILADELPHIA. Organized 1847.

That tells the whole story

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Liverpool & London & Globe Ins. Co.,

ESTABLISHED, 1836. ENTERED THE UNITED STATES, 1848.

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NEW ENGLAND, NEW YORK, PENNSYLVANIA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH AND SOUTH CAROLINA.

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GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Superintendent.

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GEO. H. MOORE, } Assistant Secretaries.
J. V. THOMAS, }

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Corner CARONDELET AND GRAVIER STREETS.

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Continental Casualty Company

POLICIES ARE PROTECTED by more than ONE MILLION DOLLARS ASSETS.

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OVER FIVE MILLION DOLLARS paid in claims to 175,000 of our POLICY HOLDERS.

GOOD CONTRACTS IN GOOD TERRITORY TO GOOD MEN
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FORTY-FIFTH YEAR

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Dividend Endowment Fund, (Deferred Dividends.) .		1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus, .	1,134,104.25	1,362,315.56
Insurance in Force, . . .		74,892,289.00

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Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

SUCCESSFUL LIFE INSURANCE MEN

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CASH CAPITAL,	$500,000.00
Reserve for Reinsurance and all other claims,	1,978,814.57
Surplus over all Liabilities,	354,025.78

TOTAL ASSETS, JAN. *1, 1904,* $2,832,840.35.

THOS. H. MONTGOMERY, *President.*
JOHN H. PACKARD, Jr., *Vice-Pres. and Sec'y.*
WM. F. WILLIAMS, *Treas. and Asst. Sec'y.*
WM. B. KELLY, *Gen'l Mgr.*

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Israel Morris.	Edward F. Beale.	Archibald R. Montgomery.
Joseph E. Gillingham.	John S. Gerhard.	John H. Packard, Jr.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488,98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

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HENRY W FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.
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INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

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Issues every Desirable Form of Policy known to modern Life Insurance.

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FOUNDED 1710.

United States Branch: 54 Pine St., New York.

Western Department: 171 La Salle St., Chicago.

Pacific Department: 215 Sansome St., San Francisco.

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HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

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THE plan which the special committee of directors of the Equitable Life Assurance Society has decided to submit to the meeting of the full board on next Tuesday is by no means a settlement of the questions at issue, though it may be a step toward it. It provides for the gradual transfer of the control of the company away from the stockholders, but so far as the official announcement of the special committee affords any light, it leaves untouched the equally important questions of the indemnification of the stockholders and the kinds of policyholders which will be admitted to the voting privilege and manner in which their votes shall be delivered—whether in person or by proxy. The details upon which the proposed changes will rest are yet to be settled, and if finally settled to the satisfaction of the directors, receive the moral assent of the vast membership of the society. There is one fact, however, that all the parties in interest may as well keep in mind, that, whatever comes, a stockholder coming honestly by his property cannot be deprived of it without due compensation under the Constitution of the United States. All the bills in all the legislatures to accomplish the spoliation will fail in the courts if they reach that test.

THE water supply question we of New York city have with us eternally, but it is to be regretted that plans of improvement must always be accompanied by confusion, friction and suspicion of corruption. While the Legislature is laboring with the larger project amid accusations against the motives of members, the salt water scheme is the occasion of a sharp conflict of opinion by experts, and a struggle for contracts by politicians who are not chary in imputing underhand methods to their competitors. It does seem odd that two fire engineers of undoubted capacity, as Mr. De Varona, of the Department of Water Supply, and Chief Croker are, should differ so radically as to details of construction. Whether personal jealousy or perverseness is exerting some influence in causing this variance we do not know, but there can be no doubt that the underwriters are right in appealing to the mayor to hold up further letting of contracts until a better understanding can be had of the conditions that beset the salt water supply scheme. The New York Board and the Fire Insurance Exchange command the services of the best hydraulic engineers of the country, and in view of the differences of the city's experts it is quite desirable that they should be called in to decide. Five million dollars and possible success need not be jeopardized, and will not be if the fire underwriters, who have the most, after all, at stake, be allowed to settle this matter. The conferences that have taken place this week are therefore very important.

A PRIVATE grievance against an insurance company is a poor excuse for a wholesale onslaught upon the insurance business, but that is the known cause of the peculiar performances of Senator Brackett in the New York State Legislature. His persistency in attacking the companies at every session, however, is equaled by the promptness with which his fellow Senators sit down on him. Two years ago the Senator's black beasts were the fire underwriters. He started in with a full stock of imprecations to burst up their rating combinations. He went down in ignominious defeat by a vote of 35 to 8. Thereupon he charged that the insurance companies had administered a "hypodermic injection" to the majority. He is always very ready to accuse his adversaries with corrupt motives in opposing his measures, for when they slaughtered his anti-life insurance bill this week by a vote of 28 to 12 he declared that they were "under some strange hypnotic influence, which led them to favor insurance companies in an amazing manner." Considering the Senator's notorious relations with Canfield, the Saratoga gambler, he is not in an advantageous position to throw bricks, even at the wicked insurance companies. We shall probably hear from Mr. Brackett on the iniquities of the insurance business as long as his district sends him to the Senate. It will be observed, however, that his influence upon legislation is the reverse of that with his constituency, and that aside from that hypnotized community nobody cares much for his curses. When the Senate made a laughing stock of his anti-combine bill two years ago he retorted: "There will be a day of reckoning. I want to say to Senators within the fatal perimeter of the influence of this trust that the time will come when they will hate the day on which they knelt to this monopoly. To have been whipped with scorpions will seem like a lash of small cords compared with the chastisement which the people will inflict upon them in their indignation." We have not noticed that any Senator failed of re-election for opposing Mr. Brackett's bill. He has been confronted and thrown down again by substantially the same Senate this session.

UNDER startling headlines one of the New York daily papers—only one, the others are seemingly unconscious of the tremendous crisis in human affairs that impends—is printing a series of articles exposing the machinations of the "old line" life insurance companies to destroy the fraternal kind of insurance. This destruction is to be accomplished by a bill to be introduced in the State legislatures to regulate the business of the fraternal orders, which was concocted by the insurance commissioners of forty States at the instigation of the old liners. The writer of the exposé admits that the orders composing the National Fraternal Congress—being the older and stronger organiza-

tions—have endorsed the uniform bill, but claims that their assent was given "unwillingly, and in order to avoid more stringent measures." But the younger orders will have none of it, and the power of the press throughout the country is invoked to prevent the success of an insidious scheme, the purpose of which is to extinguish all insurance fraternalism. The alleged facts collated by the writer are being sent in a circular to members of legislatures, credited to the newspaper publishing them. The New York *Herald*, in its innocence, is permitting itself to be imposed upon. The fraternal orders which are opposing the uniform bill prepared by the joint efforts of the State Insurance Commissioners and the National Fraternal Congress are the smaller and weaker concerns created by adventurers mainly for their own personal profit. For the purpose of fighting legislative regulation they are organized as the Associated Fraternities of America. They are antagonistic to any Government supervision or regulation, because their operators know that they cannot stand any test for solvency. They are not near as formidable in numbers and influence as their champion in the *Herald* pretends, and unless they can scare legislators by clamor and pretense into a belief that they have the power to influence politics their struggle to escape legal restraints will fail. The simple *Herald* might with profit ask itself why, if supervision by the State is necessary for the regular life insurance companies and the great fraternal orders—the two representing ninety-five per cent. of the insurance in force in America—it is not even more imperative for the young and comparatively feeble beginners, which are forced by competition with better known organizations to insure poorer material, and whose managers are mostly untried if not untrustworthy persons, in the insurance business. As for the faker who is supplying the *Herald* with preposterous statistics and lying statements regarding the reputable insurance corporations and orders, shame, of course, will not induce him to desist, but he might find even more congenial occupation in writing up Russian victories for our credulous daily contemporary.

Facts and Opinions.

On Wednesday the announcement was made that the special committee appointed by the board of directors of the **Equitable Life Assurance Society,** from its own body, to "arrange details" for the mutualization of the company, "and in connection therewith the settlement of the allied question of indemnification of stockholders," had agreed upon a plan to be submitted to the directors at a meeting to be held by the board next Tuesday. The following was the official statement signed by President Alexander, Vice President Hyde and Second Vice President Gage E. Tarbell as members of the special committee:

The special committee of the board of directors of the Equitable Life Assurance Society, consisting of James W. Alexander, Cornelius N. Bliss, T. De Witt Cuyler, Chauncey M. Depew, James H. Hyde, Valentine P. Snyder and Gage E. Tarbell, unanimously resolved, at a meeting held today, to recommend to the board of directors that the charter of the society be forthwith amended so as to confer upon the policyholders the right to elect a majority of the board of directors, namely 28 out of 52. Such action was taken with the express consent and approval of Mr. Hyde as the representative of the majority of the capital stock of the society. A meeting of the board of directors has been called for next Tuesday, March 21, 1905, when the committee will submit to the board the amended charter as prepared by counsel.

Under this arrangement it will require four years to change the control of the company from the stockholders to the policyholders, as the directors are divided into four classes of thirteen members each, one class going out at each annual election. At the next annual meeting the policyholders would elect seven directors to the stockholders' six, and so on at the succeeding annual meetings until the entire board is chosen on the new plan. At first the plan appeared to satisfy Mr. Crimmins, chairman of the so called policyholders' committee, and he expressed the opinion that the mutualization bill proposed by the committee for introduction in the Legislature would not be pushed, particularly as it is late in the session to expect action. The committee met, however, on Wednesday and adopted the following resolutions:

Resolved by this Policyholders' Committee, That in its judgment the directors should cause the charter to be amended or other action taken so that an election of the entire board of directors may take place at the earliest date possible, without awaiting the expiration of the terms of the present directors, that thereby the policyholders may have the early benefit in the administration of the society's affairs of the twenty-eight members of the board elected by the policyholders as recommended by the special committee.

Further Resolved, That this committee continue its work until satisfactory action be taken insuring the immediate representation of twenty-eight directors of the policyholders upon the board of directors, and that Mr. Platt, the counsel of the policyholders' committee, present these resolutions to the directors of the society.

It was also decided to introduce the mutualization bill in the Legislature to take its chances. Another policyholders' committee has come into the field, headed by President George V. Forman, of the Fidelity Trust Company, of Buffalo, N. Y., and composed of several policyholders residing in that locality. Mr. Forman says that its purpose is to wait and watch. One other incident connected with Equitable Life affairs this week is the beginning of a suit by Mrs. Mary S. Young, of Saratoga, N. Y., to restrain the company from paying Vice President Hyde $100,000 a year as salary and compel the restitution of all the money he has received from the funds of the company as such salary. The suit has some of the earmarks of a strike. Senator Brackett, the insurance baiter, is counsel for the plaintiff.

The **American Birth insurance company of Boston,** having secured the requisite 500 applications, began business last week by issuing its first policy. Mrs. Alice G. Norton, a resident of Worcester, has the honor of drawing certificate No. 1, and her expectancy will be watched with interest by the insured maternity. In a recent newspaper interview Mrs. Norton, who has been a graduate nurse, says:

"I believe in birth insurance," she says, "because I think it makes for better conditions generally. In the first place, the question of finance is always a perplexing one to young parents—how to provide for the necessary medical expenses, clothes, etc., being more than many could exactly answer. Therefore, it seemed to me that anything which would provide the necessary money for these expenses was a good thing. We insure against accident, fire, death and burglary. Why not against birth? Another good feature of the scheme is that persons so insured cannot receive a premium for a second birth unless at least eighteen months have elapsed. This, it will be seen, does not encourage too rapid increase in families, which taxes the mother's strength too much and deprives both children of their birthright. This matter cannot always be regulated, but anything that tends to discourage it is, to my mind, good. Then, again, you see the money goes to the mother. This makes her a financial factor in the family. Under existing conditions many men look upon their wives and children as expensive necessities. By this system, the father is not in it, so far as paying the bills is concerned, unless it is that he pays the premiums. Then his expense is comparatively small. In all my nursing experiences it has been the mother who has been called upon to save expenses at this time. The father has been glad to have his baby, but his feeling seems to have been that the mother could have given it to him without expense. In many instances the father in the sick room has cited cases where his mother, or his aunt, or a woman he used to know washed and dressed her baby the third or fifth day. He would not want his wife to do it, for he thinks too much of her, but babies are 'an awful expense.' All this should not be, but all this is a fact, and insurance, by putting motherhood on a

paying basis, will do much toward lifting the burden of expense from the minds of prospective mothers who avail themselves of its benefits."

The initiation fee of the company is $3, annual dues $1, and a monthly assessment of $3. The benefits are $200 if a living child is born after ten months, $300 after thirteen months, $400 after the twenty-eighth month, and $500 after thirty-eight months. "The more the longer."

At special meetings of the Eastern Union and National Board of Fire Underwriters on Monday, the fire insurance companies unanimously voted to **retire from Arkansas** on Thursday next, March 23. Both New York and Little Rock legal counsel of the companies were present at the meeting, and while they expressed positively the opinion that the King anti-trust law would be declared unconstitutional by the courts, they advised the companies not to take the chances of possible failure and consequent fines, and to withdraw. It is understood that a case will be made up at once to test the law in the Supreme Court of the State. Meanwhile many of the companies are taking care of their insured by cancelling policies and rewriting them for long terms. Others cease business altogether. The surety companies doing business in the State are also notifying their agents of the suspension of operations there on March 23. In our legislative new columns will be found a report of the proceedings in the Legislature preceding the defeat of the Milan bill to except the insurance companies from the extraterritorial condition of the anti-trust law. The property owners of the State are much perturbed and Hot Springs is in despair about its rebuilding prospects. Only the great and indomitable Jeff is serene and satisfied. Being asked on Tuesday what the State would do when the fire insurance companies withdrew, he said:

Arkansas will do nothing. The people settled that question when the plank against trusts was incorporated in the Democratic platform last June. When the insurance companies agree to comply with the law they can do business in Arkansas, otherwise we don't want them in Arkansas. I am unalterably opposed to the repeal of the law. I am alone responsible for its enactment and propose to stand by it. Any modification of the act will promptly meet with my veto.

The **Canadian Dominion** House of Commons has broken out again about the **Mutual Reserve Life** insurance company of New York. The new session began this month, and among the first proceedings was an order adopted by the House, at the motion of Mr. Martin, of North Wellington, to the Government to furnish the following particulars about the company's transactions in the Dominion:

For a return showing for the years 1904 to January 31, 1905, inclusive, in detail, drawn off under different headings: 1. Income in Canada. 2. Expenditure or disbursements in Canada, in detail. 3. Premium note account in Canada, in detail. 4. Miscellaneous in Canada, in detail. 5. Exhibit of policies in Canada, in detail, distinguishing assessment from level premium. 6. Details of termination in Canada, in detail. 7. General business statement for such time: (a) income in detail; (b) disbursements in detail; (c) ledger assets in detail; (d) non-ledger assets in detail; (e) liabilities in detail; (f) exhibits of policies; these to be drawn off under separate headings as to detail of each statement and additions to be made, as far as it appears, to figures for the period mentioned. 8. Under Chapter 101, 4 Edward VII., (a) the number of policyholders that availed themselves of this option, amount of original policies, and the fixed and definite premium and amount ascertained; (b) first option; (1) the net premiums on the total amount of policies under such option in amount of premium or percentage; a statement of the number of policyholders that have accepted this option; (2) a statement showing what policyholders have accepted this option, with full details as to accrued lien; the number of policyholders, amount of policies and premiums in the past and future; (c) third option; table showing how it affects policyholders, in detail, as to age and other consideration; (d) how many policyholders have elected to continue under this section, with the number of policyholders, amount of policies, and premiums. 9. Statement showing (a) premiums under assessment in force in Canada January 1, 1904, January 1, 1905; (b) amount of policies and number in force in Canada January 1, 1904; amount of policies and number in force in Canada January 1, 1905; (c) number and amount of assessment policies lapsed or surrendered in Canada from January 1, 1904, to January 1, 1905.

While a performer at Cole's Auditorium, in Lynn, Mass., was singing "The Man With the Ladder and the Hose" Tuesday evening, the **moving picture machine,** which was at that moment depicting a rescue by firemen from a burning building, exploded, and in a second the little theatre, which was packed with 300 people, was aflame. In the panic that ensued five people were more or less severely injured, but fortunately there is no loss of life to be deplored. This is the latest of a number of theatre fires which, during the past two months, have caused $60,000 loss in Eastern Massachusetts and endangered the lives of thousands of people. On the same day a bill became a law by the signature of Governor Douglas, which goes into effect on April 15, and empowers the State police of Massachusetts to inspect and approve every moving picture machine to be used in the Commonwealth. The text of the law is as follows:

Section 1. No cinematograph, or other similar apparatus involving the use of a combustible film more than 10 inches in length, shall be kept or exhibited on premises licensed for entertainments, until such cinematograph or other similar apparatus has been inspected and approved by the district police, and until such precations against fire as the district police may designate have been taken by the owner, user or exhibitor of such cinematograph or other similar apparatus.

Sec. 2. The district police are hereby empowered and directed to inspect any cinematograph or other similar apparatus involving the use of combustible films more than 10 inches in length which is used or kept on premises licensed for entertainments, and to make such rules and regulations as they may deem necessary for the safe use of such apparatus.

Sec. 3. Any person using or exhibiting a cinematograph or other similar apparatus contrary to the provisions hereof or in violation of any rule or regulation made by the district police shall be punished by a fine of not less than five nor more than five hundred dollars.

Time was when the Boston merchant of other days had his warehouse on the water front, opposite the wharf, where goods consigned to him were unloaded from the vessel, and the transfer from pier to storehouse could be effected in a short time. It was then that the fire insurance companies granted the privileges embodied in the "transit clause," charging nothing for the risk assumed during the transference of the merchandise. In course of time this privilege was extended to a period of ten days. Conditions have changed since then, and the recent big fire at the **Hoosac Tunnel Docks** was a striking object lesson, showing that the time had come when this privilege could no longer be granted without exposing the insurers to unwarrantable risk. Under the terms of the clause it did not cover when a marine insurance company gave similar immunity, and conversely this was true of the privilege when granted by the marine and inland companies, thus being apt to produce a complicated state of affairs when fire matured the liability. Furthermore, the rate charged for insurance on an unprotected pier for ten days exceeds the premium collected for an entire year in case the goods are stored in a fireproof warehouse. In view of these considerations, the Boston Board of Fire Underwriters, at its regular meeting last Tuesday, voted under a suspension of the rules to abolish the transit clause with scarcely a dissenting voice. At the same meeting Messrs. Adam Archibald, William H. Rogers and E. B. Cowles were added to the brokerage committee of the board.

The claims of the **Kentucky** Insurance Department for **back license fees** for all members of agency firms for the years 1900, 1901, 1902 and 1903 are not being paid, pending the action of the governing committee. Vice President Correa, of the Home of New York, puts that company's position very strongly before the attorney of the Kentucky department in the following recent letter:

We beg to own receipt of your letter of February 20, and note the claim for $450 for agency licenses due from this company for the years 1900, 1901, 1902 and 1903, and while we note that under your statutes you

are permitted to collect omitted taxes and licenses for a period of five years, we hardly think that the statute in question will cover the licenses that you are now claiming from this company. The interpretation of the law was in the hands of the Auditor of State, and the Auditor of State during that period who interpreted the law had a right to make such interpretation as he saw fit, unless exceptions were taken to his interpretations by the companies affected by such interpretation. Any new Auditor of State who might deem it proper to interpret the statute otherwise certainly cannot make his interpretation retroactive, and we must therefore ask you to reconsider your claim, as we hardly feel warranted in paying it. We do not, of course, have any idea whatsoever of making any threat, but simply desire to state that in case the Auditor should insist upon the payment we can see no alternative but to place the matter before the courts for adjudication.

The following characteristic story about the **late Major George S. Merrill,** the most picturesque figure among the insurance commissioners of Massachusetts, appeared in the Boston *Herald* of last Sunday:

Major Merrill was on duty at a muster in South Framinghim, Mass. One day the heat was so excessive that he made up his mind to get off the grounds and remove his regimentals, which included a bright red coat. He did not want to leave by the regular route, for the sake of discipline, so decided to get out across lots by the back way. To do so it was necessary for him to go across a freshly ploughed field. When near the end of the field he heard a tremendous noise, and, looking around, saw a bull coming toward him, snorting and pawing the ground and throwing the dirt up in heaps. The major decided not to stand on ceremony, but get out as best he might. He reached a stone wall, which separated the field from the road, and climbed over, none too soon, falling on the gravel roadway on the other side. Picking himself up, he was brushing the dirt off his clothes, when a farmer came along and asked him if he didn't know better than to excite the bull in that way and spoil his ploughed ground. The major didn't know what to say for an instant, but finally decided to stand on his dignity, and, drawing himself to his full height, he said: "My good man, maybe you don't know who I am. I would have you understand I am major of the regiment. I am the editor of the Lawrence *Telegram*. I have been postmaster of our beautiful city of Lawrence. I have been commander in chief of the Grand Army of the Republic. I am, sir, the Insurance Commissioner of this glorious commonwealth of Massachusetts. The Hon. George S. Merrill is my name, sir." The farmer looked on while he related his story, with mouth opened wide, and finally said with a laugh: "Why didn't you tell the bull?"

At the last meeting of the **New York Fire Insurance Exchange** Manager Hess submitted his report for the year ending February 28, giving in detail the survey and routine work of the organization during the year. After making several recommendations for improvements, the manager concludes as follows:

The success which has so far attended this exchange is attributable to the high standard which its members have imposed and which they themselves enforce while serving on its various committees. The devising of means to adequately carry out your wishes rests with the manager, but the determination of what shall be undertaken and what not is in your hands alone. The resulting importance of your committee work cannot be overestimated. It is the medium through which you keep in direct touch with the operation of my office, and it is the communication upon which I depend to learn your views. If anything is not to your satisfaction it is my desire to know it and find a remedy. In the nature of things an office charged with the enforcement of rules and rates cannot please everybody all the time, but it is my effort to distribute its unpleasing features with entire impartiality, and to maintain a fair margin of good results to its credit. In this I have the assistance of a clerical and inspecting force that I think you may feel proud of as being in your service. Nevertheless there may come to your knowledge or under your observation cases of mistake or carelessness on the part of those employees which I beg that you will without fail bring to my attention in order that they may be properly investigated and corrected. In no other way can I hope to be able to meet your views and hold our work up to the standard which you impose.

On Wednesday last Mr. William H. Brown, for the past eight years examiner of the Massachusetts Insurance Department, left that position to become **secretary of the Columbian National Life** insurance company of Boston. Mr. Brown entered the service of the department as third clerk in 1896, and his exceptional ability became evident so soon that he was promoted to the position of examiner the following year. His work in that capacity has been distinguished by thoroughness and an ability for discerning the weak spots in an organization, coupled with an unflinching purpose to report the exact truth, which have been of great service in warning and protecting the public from unstable concerns. The Columbian is to be congratulated upon the acquisition of a man of his calibre. Mr. Wills, heretofore secretary and actuary of the company, will now devote himself wholly to his actuarial duties, with the title of assistant secretary and actuary.

The *Fidelity and Casualty Bulletin* has the following to say concerning the latest **innovation in plate glass** which eliminates frames:

We caution agents against issuing policies on risks containing two or more plates set in a line and held together only by clamps. During the early part of January a policy was issued by our representative in Buffalo on a risk that included, among others, four large plates, size 107x132. A few days after the glass was set a heavy wind storm occurred. Four large plates were blown out and completely demolished. Another case. A prominent florist in New York city, wishing to be thoroughly "up to date," utilized the new idea. Seven large lights, constituting the avenue frontage, were put in, presenting an unbroken vista of polished plate glass. A high wind deposited it a little later on the sidewalk. The florist's experience was duplicated in the case of a risk on Columbus avenue. The glass was blown out on three different occasions. The weakness in this style of construction is due to the lack of proper support between the plates. In the absence of the ordinary dividing bar of wood or metal, a high wind will cause vibration of the glass and breakage. These risks have been placed on the prohibited list by this department.

A **novel improvement in fire escapes,** the invention of a South Dakota man, comprises a car in the form of a veranda, which is held normally in a position to be entered from a window of a building. This car slides on uprights, so that when a sufficient weight is placed on the car it descends, being operated by counterbalance weights attached on a sprocket chain. The weights can be so made as to not only overbalance the car or balcony, but also the weight of a man thereon, so that when the car is in a lowered position a fireman may enter it and when released it will ascend with its single passenger. When two or more passengers are on the car it will descend, and after its load has been removed it will ascend again. By the introduction of a brake mechanism the car can be arrested at any point. The inventor must have seen Raymond Hitchcock's balcony elevator in the first scene of the "Yankee Consul." Guess Raymond saw it first.

The tenth annual meeting of the **National Association of Co-operative Mutual Insurance Companies,** in session at Chicago, adjourned to meet next year in Boston. The following officers were elected: President, W. D. Forbes, Des Moines, Ia.; vice president, C. M. McMillan, Denver, Ill.; secretary and treasurer, W. B. Linch, Lincoln, Neb. The organization endorsed the National Mutual Fire insurance company, which is being organized in Omaha, to operate with a guaranteed reserve of $200,000 under the recently enacted Nebraska law. It proposes to enter all the States and help the local mutuals by carrying thir surplus lines, which will enable them to write many risks not now open to them. In some States the law forbids mutuals to write in the cities, restricting them to the country, and the company proposes to carry city business for the mutual agents.

The **semi-annual meeting of the Western Union** at Philadelphia this week resulted practically in turning over to the governing committee the settlement of the various questions which have arisen during the past half year. The discussions were long and sometimes animated, but there is perceptibly a growing disposition at these meetings to confide in the wisdom of the men who have the administration of Union affairs, and allow

them to take care of results. The customary "excepted cities" question went over as usual. The governing committee was instructed to take such action as it deemed expedient in reference to the absorption of the Insurance Survey Bureau. The various recommendation of the committee were approved. Adjournment was taken to Niagara Falls September 20. Many officers of companies were present and participated in the proceedings.

The **Lincoln Life insurance company** of Jersey City, which received its charter on January 12, starts with $100,000 full paid capital and $50,000 paid in surplus. It will be operated on an old line basis and will issue all of the usual forms of contracts, some of which will contain new features. The company has applied for admission to Pennsylvania, and will shortly make application for admission to New York. It will be represented in Pennsylvania by the firm of Evers & Kolb, of Philadelphia, with offices in both Philadelphia and Pittsburgh. The officers of the company are: A. G. Stenger, president; C. E. Evers, vice president; F. M. Kolb, secretary and treasurer; J. M. Marion, auditor and counsel, and Dr. A. G. Schonger, medical director.

One of the most progressive and up to date insurance agencies in greater New York is that of **Lewis & Frear** in Brooklyn. The agency was established under the present management in 1890 with but one company, and during the first year wrote $27,000 worth of premiums. Last year's premiums amounted to $500,000. The firm now owns its office building, No. 145 Montague street, and represents the following ten companies: Springfield, Pennsylvania Fire, Globe and Rutgers, Camden Fire, Northern of London, Firemens of Newark, Commerce of Albany, Prussian National, Eagle Fire of New York and Standard Life and Accident of Detroit. A. H. Lewis and F. B. Frear are the partners.

A receiver for the **Life Insurance Company of Pennsylvania** of Philadelphia was appointed this week in the person of Henry F. Walton, an attorney, who is Speaker of the Pennsylvania House of Representatives. The company was formerly the Independent Order of Odd Fellows' Mutual Life Insurance Society of Pennsylvania, which was organized in 1873. In 1903 it changed its name. Its officers are Howard I. Campbell, president, and S. B. Bledsoe, secretary, and the offices are in the Odd Fellows' Building. The receiver was appointed at the suit of Insurance Commissioner Durham, who alleged insolvency. Mr. Walton is bonded in $40,000. The company made no opposition.

The directors of the **Empire State Surety** last week elected **Mr. W. M. Tomlins, Jr., president,** succeeding Mr. John M. Jenkins, who gives up the active executive duties to become chairman of the board of trustees. Mr. Tomlins is the youngest president of a surety company, but has risen with the Empire State through the successive stages of assistant secretary, secretary and vice president, and makes up in experience and personal ability what he lacks in age, as he is under thirty years old. Mr. Daniel Steward, formerly assistant to Mr. Tomlins, becomes secretary of the company. Hon. E. H. Driggs continues as vice president.

In a compilation recently issued by the **Penn Mutual Life** insurance company of Philadelphia, showing the company's figures for the year just past, the interesting point is brought out that in 1904 the death claims amounted to $3,161,732 and the interest income for the same period was $3,456,917, or more than enough to cancel the liabilities on the death claims side of the account. The examination recently begun at the company's request has been completed, and the report will shortly be published. The examination was made jointly by the Pennsylvania, Massachusetts and Wisconsin insurance departments.

On last Saturday a telegram was sent out by Second Vice President Tarbell, of the **Equitable Life,** to all managers, reading as follows:

Business first ten days March largest for same period in history of society. Congratulations and appreciation.

This follows a message sent to the agency forces on March 1, which said:

Our new business in February was several millions greater than in any previous February in the history of the society. For this we have you to thank. Your loyalty, your devotion, your determination to win seats in our May convention, resulted in our putting upon the books more than $32,000,000 of new business during the short month of February.

The La Follette State Bank of Tennessee has repudiated the indorsement of Robert C. Claiborne, vice president of the **"Hartford Fire Assurance Company,"** which was recently issued in quantities from the offices of Jesse L. Rogers in the Hartford Carpet Company Building, in Union square, New York. A visit to the late offices of the wildcat on Tuesday revealed them to be empty and deserted, though the names of the Phœnix Underwriters and Jesse L. Rogers still appeared on the building's directory board. The hall man said the outfit moved a week ago, he did not know where.

A special meeting of the **Scandia Mutual Life** in Chicago has been called for April 12 to vote on the question of reinsurance with the Scandia Life, the legal reserve company organized to take over its business. A consolidation was effected several weeks ago, but Attorney General Stead, of Illinois, refused to approve the deal because the word "consolidation" was used, demanding that "reinsurance" be substituted in order to keep his anti-trust record clear. A mandamus suit was contemplated, but it was finally thought best to yield and call the meeting.

Investigation of the archaic laws of Georgia has revealed that the publication of insurance company **statements in a Sunday newspaper** in that State does not comply with the law regarding the annual publication of statements, as the Supreme Court decided many years back that Sunday was a *dies non.* The Georgia managers thought that day was the best to spread the gospel abroad on account of extra circulation and spare time for perusal by readers. It goes this time all right, but never again, says the Insurance Department.

The **Hartford Fire insurance company** has completed a rearrangement of part of its Western field. The field covered by Homer Caldwell, of Wichita, who resigned recently to go into business for himself, has been divided. William Watson, who has been chief clerk of the inspection office at Oklahoma City, will have the Indian Territory and Oklahoma, while Harvey A. Bush, who has been in the survey department of the Hartford in Missouri, takes Kansas. W. F. Swazea, of De Soto, Mo., succeeds Mr. Bush.

The Chicago courts have ordered the Garden City Sand Company to produce its books in court or go to jail for contempt. It had a liability policy with the **New Amsterdam Casualty Company,** which held that the payrolls were not reported correctly and demanded an examination of the books, as provided by the policy. The company refused to

permit this, and the decision of the lower court that it must be allowed has now been confirmed by the Appellate Court.

There is much gratification in **Chicago** over the promotion of Captain Burroughs to the position of **third assistant fire marshal,** he having stood at the head of the recent competitive examination. Second Assistant Townsend is to retire because of poor health, which will promote Third Assistant Horan and make a place for Burroughs. In Campion, Horan and Burroughs the department has a fine trio of fire fighters, says our Chicago correspondent.

The Prudential led in **new life insurance in Ohio** for 1904, writing $24,169,847. The Metropolitan wrote $23,786,789, the figures including both industrial and ordinary business. The New York Life was next, with $12,201,160, while the Western and Southern of Cincinnati, an industrial company, wrote $11,441,016. The Mutual Life of New York wrote $10,958,200, and the Equitable $8,452,815. The Union Central followed with $4,867,321.

A Dallas, Tex., dispatch to the *Journal of Commerce* states that the **Trezevant & Cochran Fire insurance company** of Dallas, recently chartered, was on Thursday authorized by the Attorney General of Texas to begin business. The capitalization is $100,000. Some of the most prominent insurance men of Texas are stockholders, among them being B. T. Trezevant, Sam P. Cochran, C. C. Kinney, H. C. Dunn, B. A. Killough, Paul A. Florain and A. F. Pillett. The business headquarters of the company is located in Dallas.

On Wednesday Insurance Commissioner Cutting sent to the Massachusetts Executive Council the nomination of **Charles W. Fletcher** at present deputy commissioner of the Maine Insurance Department as examiner of the Massachusetts department, to succeed Mr. William H. Brown, who has entered the service of the Columbian National Life. The nomination was laid over for action at the next meeting of the council.

The **Life Underwriters' Association of Virginia** elected the following officers at its recent annual meeting: President, N. D. Sills, Sun Life of Canada; first vice president, D. R. Midyette, Fidelity Mutual; second vice president, John C. Drewry, Mutual Benefit Life; secretary and treasurer, H. G. Freeman, New York Life. The association has received an invitation from the National Association to join that body.

The tabulation of **fire insurance losses in Toledo,** Ohio, the past ten years shows a loss ratio of 67.8 per cent., and figuring expenses at 36 per cent. shows a net loss of 3.8 per cent. for the period. The loss ratio for Toledo in 1904 was 72.8. The exposure charges are to be taken off the dwellings in Toledo, it being the only city in the State in which they were required, but this reduction will be offset by some increases on mercantiles and special hazards.

Four additional fire insurance agencies in **Chicago** are to locate in the **National Life Building,** which will have over fifty insurance offices after the 1st of May, more than 50 per cent. of the fire insurance business of Chicago being transacted within its walls. E. M. Teall & Co. and the city offices of the Northern and the Phœnix of Hartford will take a group of offices on the eleventh floor.

A variety of interests claiming the attention of **Vice President William Wallace, of the Boston insurance company,** have decided him to resign that position as soon as arrangements can be made which will enable that step. Mr. Wallace controls a considerable amount of personal marine agency and brokerage business, and is also connected with enterprises outside of the underwriting field.

Georgia admissions this week were the Columbia National Life of Boston, which will make headquarters at Atlanta for a Southeastern department, to include South Carolina, Georgia, Alabama, Florida, and part of Tennessee, under the supervision of Alfred C. Newell, formerly with the New York Life at Atlanta, and the American of Newark. It has made the customary $10,000 deposit.

The **Trans-Mississippi Mutual Fire** insurance company of Omaha, Neb., is endeavoring to secure legislation to enable it to reorganize on a basis to provide for a $200,000 guarantee fund which can be replaced from the company's earnings. It will write on a cash basis if this change can be made, and will also change its name to the National Mutual Fire insurance company.

The following committee has been appointed to arrange the details for organizing the **new salvage wrecking company in Chicago,** whose stock is to be owned by the companies: W. S. Warren, Liverpool and London and Globe; P. D. McGregor, Queen; H. C. Eddy, Commercial Union; E. G. Halle, Germania; J. H. Lenehan, Phenix, and George E. Kline, Continental.

The endowment rank of the **Knights of Pythias** reports 69,100 members holding certificates to the amount of $110,900,000. During February 1,124 certificates were issued, twenty-three new sections were organized and eighteen reestablished. On March 1 the endowment rank had $77,212 cash in bank, $882,000 in bonds and net resources of $925,000.

The **Minnesota Legislative Commission,** which is investigating fire insurance rates, has been hearing from the insurance men of the State. Several special agents have testified that their companies have made no money in the State outside of the larger cities, and urge the encouragement of fire departments and the appointment of a fire marshal.

The **Guardian Life insurance company** of Philadelphia has just been incorporated with a capital of $100,000 and paid up surplus of $20,000, to operate on a 3½ per cent. legal reserve basis. It will be licensed to do business in the following States within the next ten days: Pennsylvania, New Jersey, Delaware, Virginia, West Virginia and Ohio.

The **Baptist Fire insurance company** is a new British corporation with $250,000 capital, whose object is to "insure places of worship, colleges, schools, clubs, assembly rooms, and other buildings used by Baptists against fire, lightning, tempest, accident, etc." Qualification for membership in the board of directors is limited to Baptists.

Upon the application of the Insurance Commissioner of Pennsylvania, Horace H. Francine was appointed **receiver of the United States Mutual Fire** insurance company of Philadelphia, with offices at 438 Walnut street. The officers are Charles H. Kors, president, and W. E. Wannemacher, secretary. A bond of $5,000 was required of the receiver.

Another of the younger **Western fraternals is in trouble.** One Buehler, of Cleveland, Ohio, has filed a bill in the Cir-

(*Continued on page 260.*)

POLICY CONTRACTS IN LIFE INSURANCE.

L. G. Fouse, Before the Wharton School of Finance of the University of Pennsylvania.

L. G. Fouse

Mr. L. G. Fouse, president of the Fidelity Mutual Life Insurance Company, of Philadelphia, lectured before the Wharton School of Finance of the University of Pennsylvania March 9, 1905, on "Policy Contracts in Fire Insurance." The following is a syllabus of the lecture:

Section I.—Correlations of Policy Contracts: (a) General statement; (b) origin and definition; (c) signification and importance; (d) magnitude of interests involved; (e) motives in framing contracts; (f) inception and basis; (g) execution and when operative; (h) title to policy; (i) consummation; (j) legal construction.

Section II.—The Relation of Method to Life Contracts: (a) Variety of life contracts due to method; (b) ordinary legal reserve method; (c) industrial legal reserve method; (d) fraternal or lodge method; (e) assessment or non-legal reserve method.

Section III.—Conditions, Privileges and Restrictions: (a) Primary or fundamental conditions; (b) conditions imposed by sound public policy; (c) conditions imposed by equitable considerations; (d) the significance of privileges; (e) privileges implied, but not expressed; (f) classification of restrictions; (g) consideration of each class.

The following is the lecture:

CORRELATIONS OF POLICY CONTRACTS.

(a) General Statement.—Life insurance practically had its origin in a contract between two or more parties that was in the nature of a wager. The payor of the premium would win if the insured died within a given period, and the insurer would win if the insured survived such period.

The first record we have of such a life insurance contract shows that it was made June 18, 1583, in favor of Richard Martin, citizen and alderman of London. The subject insured was one William Gybbons, and the contract practically amounted to a wager between Richard Martin and thirteen merchants of the city of London. Martin paid the thirteen merchants about £30. If Gybbons died within twelve months, then the thirteen merchants agreed to pay about £400. While this was a wager transaction, and would now be void in law, it was, in a manner, the beginning of life insurance contracts.

A policy on the life of Nicholas Bourne, dated November 25, 1721, issued by the London Assurance Corporation at the request and expense of Thomas Baldwin, is the second authentic record we have of an early life insurance contract. An interesting feature of this contract is that it would meet the necessities of the Second Adventists, whose considerations of life insurance are disturbed by the prospect of being translated and thus leaving behind them no evidence of death. The policy provided that "in case he, the said Nicholas Bourne, shall in or during the said time, and before the full End and Expiration thereof, happen to dye, or decease out of this world by any Ways or Means whatsoever, That then the above said Governor and Company will well and truly satisfy, content, and pay unto the said Thomas Baldwin, his Executors, Administrators or Assigns, the Sum or Sums of Money by him Assured, and here underwritten, without any Allowance, Deduction, or Abatement whatsoever." The only condition of avoiding the contract was going to sea or into the wars without written consent.

Another old contract of which we have a record is on the life of the Right Rev. William Carmichael, Lord Bishop of Clonfert, dated June 27, 1754. The insurance was effected by and for the benefit of George Cockburne at the rate of £5 premium for each £100 insured. Suicide, or death by the hands of justice, or going outside of His Britannic Majesty's dominions of Great Britain and Ireland without first obtaining license in writing voided the contract.

A contract of life insurance must now be supported by a legal insurable interest. That is to say, when the insurance is effected by any person other than the insured the beneficiary must have an interest in the continuance of the life of the insured and not merely a monetary interest in his death.

While it is not my province to discuss the actuarial and scientific questions involved, it is proper to say that the discovery of the law of mortality susceptible of mathematical calculation made it possible to supplant crude guesses at the chances of life and death by tables constructed from mortality observations.

The contracting parties under the policy are usually designated in this country as the insured, the subject upon whose life the policy is written; the insurer, the one who assumes the obligation to pay the insurance; and the beneficiary, the one to whom the insurance is paid in the event of death. There are, therefore, usually three parties to a policy contract.

Individuals under modern methods do not act as insurers. The laws of the several States have provided for the incorporation of insurance companies which have perpetual succession. Individuals die, but properly managed corporations are supposed to live always. The powers of a life insurance company under the statute usually consist of effecting insurance upon the lives of individuals, every insurance appertaining thereto or connected therewith, and the granting and purchasing of annuities. The companies are authorized to make bylaws for their government not in conflict with the laws and Constitution of the State in which they are incorporated, or of the United States. Full liberty and freedom is therefore vouchsafed to the life insurance company in the making of contracts with a single requirement applicable only to companies known as old line or legal reserve companies. This requirement amounts to a standard of safety adopted by the State, which provides that whatever the policy contract may be the insurance company must always have in its coffers money or securities equal to the difference between the present worth of what it promises to pay and the present worth of the net premiums the insured promises to pay, which difference is known as the reserve. Beyond this the State wisely does not undertake to interfere with or handicap the companies. While this latitude or license has probably in a degree been abused, it has given the public a great variety of policy contracts from which to select; and as the insuring public is becoming better

informed and able to discriminate between the sound and unsound, such latitude or license is becoming less objectionable. Indeed, by reason of the ever changing conditions it is infinitely to be preferred to any attempt at circumscribing legal limitations to policy contracts.

ORIGIN AND DEFINITION.

(b) The word policy means in general a course or plan of action or administration. During the Middle Ages it was used to designate memoranda. In England it has been applied to "a warrant or ticket for money in the public funds." In the United States it is applied to a gambling game. Among these varied definitions and uses has arisen its universal employment to designate comprehensively a written instrument embodying a contract of insurance involving, as it does, contingencies and probabilities. In life insurance a policy contract is, therefore, one involving the contingency of death, in which the minds of the parties thereto have met and agreed upon the terms and conditions of the underwriting.

SIGNIFICATION AND IMPORTANCE.

(c) The taking out of a policy of life insurance signifies a sense of responsibility, frugality and thrift on the part of its owner. Under existing social and economic conditions the life insurance contract has become a necessity. The man who assumes the responsibility of a family and of engaging in business needs protection, in the event of his early death, for both. The insured or owner of the contract often derives substantial benefit from the self denial and formation of the frugal habits acquired by the preparation to meet the periodical payment of premiums. He is also benefited by the consciousness that he is creating an estate to benefit his dependents, which, in the event of his death, becomes immediately convertible into cash without the intervention of administrator, executor or attorney. It is generally conceded by the trust officers of our great trust companies that there are no securities left by decedents of as great general value, because of not being affected by market, etc., as are policies of life insurance. It is only in cases of gross fraud or where the rights of beneficiaries are disputed that any contest is made by the companies. For example: According to the sworn returns of 1902 and 1903 the total existing contested claims, representing an accumulation of years, amounted to only $668,200, while the claims paid during the same years by the legal reserve companies represented $367,035,413. Thus the accumulated contests represented only one-fifth of 1 per cent. of the amount of claims paid in two years; or for every $1,000 paid, only $2 were contested, and it is safe to say that currently not more than $1 out of every $1,000 paid is contested.

For the beneficiaries of such contracts it signifies the means of support after the decease of the breadwinners; it means escape from the pittances or charities of the world.

To the State life insurance signifies a much reduced poor rate for the maintenance of almshouses and eleemosynary institutions.

MAGNITUDE OF INTERESTS INVOLVED.

(d) At the beginning of the nineteenth century, according to the best authorities, there were not exceeding 100 life insurance policies in force in the United States. December 31, 1903, excluding beneficial societies, there were 19,405,107 policies reported as outstanding and in force. These were divided as follows: 4,684,578 of the ordinary legal reserve type, representing $9,473,427,277 insurance, with a premium income in the year 1903 of $349,480,332. There were payments to policyholders in the year 1903 of $194,110,368; assets amounted to $2,055,555,548, and liabilities to $1,794,239,797. The industrial, fraternal and assessment types of policies, at the same time, December 31, 1903, numbered 14,720,529, representing $3,019,963,655 insurance. The premium income in 1903, under these types of policies, amounted to $105,138,307, and payments to policyholders to $36,311,568. Assets aggregated $221,891,857, and liabilities $185,698,422. Hence the total sum insured under the four types of policies represents $12,493,390,932, with accumulated assets of $2,277,447,405.

The magnitude of the interests involved is so great as to be practically incomprehensible. In order to give an indication of their significance it is necessary to make some comparisons. The combined capital of all the national banks in the United States amounts to $688,817,833; the deposits in all the savings banks of the United States aggregate $2,935,204,845, by 7,035,228 depositors; the capital in all the manufacturing industries in the United States amounts to $11,797,783,800, with 5,500,000 wage earners in the factories; the total railroad capital in the United States amounts to $12,599,990,258, with 1,312,537 railway employees.

It will thus be seen that about one-fourth of the population is directly and about three-fourths indirectly interested in the subject of life insurance, and that the underwriting is about equal to the entire railway capital of the United States and exceeds the capital of the manufacturing industries. The time has come, because of the magnitude of the interests involved, for a better understanding on the part of the public of policy contracts in life insurance.

MOTIVES IN FRAMING CONTRACTS.

(e) In order to get at the motives we will take up the considerations involved in the framing of a policy contract. It is, no doubt, true that policies have been framed with temporary success, having quick returns to the managers as the principal consideration; schemes could be cited in illustration of this statement. I shall, however, not undertake to cope with or discuss dishonest schemes, but shall address myself to the difficulties involved under honest and legitimate projects.

The consideration of first importance is so to frame the contracts as to perpetuate the existence of the corporation. To this end due consideration must be given to equity and justice and to protection against dishonesty and fraud.

A policy may be loaded down with unnecessary restrictions. In the earlier days of life insurance, when observations had not been made of the various supposedly hazardous conditions, it was attempted to avoid them by policy restrictions. Many of these have been found to be unnecessary. Some of them are needed, and in a modified form should be retained in the interest of a sound, wholesome public policy and of equity to all policyholders.

While the motives involved in business getting cannot wholly be ignored, they must be subordinated to the rules of good business, sound public policy, equity and justice. It will not do for those who have the framing of a policy contract to "play to the galleries" by a show of liberality and thus secure public applause at the expense of policyholders.

INCEPTION AND BASIS.

(f) The beginning of a policy contract is a proposal in the form of an application for life insurance. In such application the applicant is required to make a detailed statement of his personal and family history, and such statements are usually made the basis of the contract. If the insured makes material misstatements, he is very much in the same moral position as anyone who obtains a thing of value under false pretenses. Banks, business and manufacturing concerns and individuals alike are protected under the laws against the class of people that do not hesitate to indulge in false pretenses. Notwithstanding these general facts, in some States life insurance companies have practically no protection. An applicant in such States may, with malice aforethought, misrepresent a material fact, and because of a prejudiced and pernicious public sentiment, which has invaded the courts of justice, the insurance management will sometimes pay rather than take the chances of greater loss in contesting a claim believed to be fraudulent. At best the binding obligations are all on the company, and both the insurance departments and the courts stand ready to enforce them, while the insured may at will discontinue the contract.

The public sentiment of which I have spoken largely ignores the fact that insurance is effected by the money of the policyholders of the company; that, literally, the policyholders are the company, and the officers are merely the managers. It is in part due to a condition which obtained after the Civil War in the seventies, when many companies were organized by men who knew absolutely nothing of the science of underwriting, and whose numberless blunders forced them to the last expedient of trying to perpetuate the existence of their companies by evading the paying of claims. While these companies ceased to exist many years ago, and while, if anything, the companies at present err on the side of liberality and promptness, the sentiment referred to remains in a modified form.

The application should and usually does contain a warranty clause in which the applicant warrants the truth of his statements that form the basis of the contract. If any material statements therein are found to be untrue, then the contract, according to its terms, may be voidable or becomes *ipso facto* null and void, and all payments except as expressly provided therein are forfeited to the company. The rule, however, is to make the policies incontestable, except for the non-payment of premiums, after from one to two years following date of issuance. Under the head of policy restrictions I discuss in some detail the incontestable clause.

EXECUTION AND WHEN OPERATIVE.

(g) Before execution of a policy contract the medical and inspection departments of the company carefully investigate the statements made by the applicant. They determine whether the

applicant is insurable, and if so under what conditions. The applicant's financial ability to pay the premiums is also considered. Upon proper certification the executive department executes the contracts. The policy however, as a rule, does not become binding or operative until delivery to the applicant and acceptance by him during his life time and good health, and the actual payment of the required premium.

TITLE TO POLICY.

(h) The title to the policy may vest in the insured or in the beneficiary, depending upon the terms and conditions of the contract. If the insured under the terms of the contract has the right to change the beneficiary, then the latter has a contingent interest only, which does not become vested until after the death of the insured. Hence, under such a contract the title vests in the insured because he can, at any time, substitute his own estate or another beneficiary for the one originally named. If, however, under the terms of the contract the insured cannot change the beneficiary, then the title to the policy vests in the latter and can only be transferred to another by assignment.

Under the laws of most of the States a policy of life insurance, made payable to wife and children, is not liable for the debts of the insured, and hence, though the insured may be insolvent at the time of death, the creditors cannot get any part of the insurance money unless it can be shown that the policy was contracted for after insolvency and that the contract was made to avoid the payment of debts and to defraud creditors.

CONSUMMATION.

(i) A life policy is not consummated or completed until it either expires by limitation or by maturity at the end of a stated period or by the death of the insured. In the last event proof of death and of claim, as required by the contract, must be made to the company. While many policies provide for the payment of the money within a limit of thirty or sixty days, it has become the custom of practically all the companies to pay the insurance money as soon as satisfactory proof of loss and claim have been made.

LEGAL CONSTRUCTION.

(j) It is an established principle of the law courts to construe contracts against the framers or makers, on the ground that they are familiar with the technicalities of the law and are presumed to frame the contracts in their own interest.

In construing contracts, in case of apparent conflict between written and printed clauses, preference is always given to the written clauses.

Notwithstanding the disposition of juries to favor individual claimants against corporations, and the disposition of the courts to construe the contract against the makers, it is a fact worthy of note that more than 75 per cent. of the litigated cases are won by the companies. This is due to the further fact that the companies will only resort to a contest in most flagrant, fraudulent cases.

THE RELATION OF METHOD TO LIFE CONTRACTS.

(a) Variety of Life Contracts Due to Method.—There are four methods legally recognized and mentioned in (b), (c), (d) and (e) in this section, each of which has its distinctive features. The distinctions between the methods are legal, mathematical, practical and, in part, due to prejudice and custom. Because of the distinctions mentioned the form of contract adapted to one method would not be suited to another method. This has given rise to a much larger variety of policy contracts in life insurance than we should have if there were but one method. While the system of life insurance may be said to be one, the methods are many.

ORDINARY LEGAL RESERVE METHOD.

(b) This comprehends the classification of companies which are by law required to maintain a reserve at all times equal to the future deficiency in the premiums, so that the fulfilment of the policy obligation is guaranteed. There are probably as many as 150 different varieties of policies issued by companies of this classification. It would be impracticable to attempt to enumerate them all, but I will mention the principal policies:

(1) The Ordinary or Whole Life Participating Policy.—Premiums continuous during the life of the insured; dividends applied to reducing premiums or increasing the insurance; insurance payable at death only.

(2) Limited Payment Participating Policy.—Premiums limited to a term of years; dividends as in (1), or payable in cash at the end of the term; insurance payable at death only.

(3) Endowment Participating Policy.—Premiums payable during the specified term; dividends as in (2); insurance is payable at the end of years specified or at death if prior.

(4) Non-Participating Policy.—All of the several forms mentioned are issued at a lower rate of premiums in lieu of dividends.

In addition to the several forms of policies referred to there may be mentioned joint life or partnership, renewable term, term, installment, single premium or paid up, tontine, semi-tontine and a great variety of deferred dividend policies variously designated as accumulation, allotment, survorship dividend, tontine dividend, etc.

INDUSTRIAL LEGAL RESERVE METHOD.

(c) The variety is practically limited to the standard life and limited payment policies at premium rates considerably in excess of those charged by the ordinary legal reserve companies. This excess is due to the fact that the companies issuing industrial policies collect the premiums weekly—sometimes monthly—by collectors who go from house to house. By reason of the large premium charged policies of the industrial variety contain but few restrictions.

FRATERNAL OR LODGE METHOD.

(d) These contracts are in the form of certificates of membership, and usually provide for the suspension of a lodge in case payment is not made by the subordinate branches to the supreme body. Although the individual member may pay his dues and assessments promptly, if the lodge to which he belongs fails to pay he must suffer suspension. The rights of individuals are subordinated to the conduct and will of the majority.

The contracts usually specify a maximum benefit, and are not in a legal sense guaranteed beyond the proceeds of the assessments collected from the lodges to pay the losses. The variety is usually limited to certificates in which payments of the member continue during the life of the contract.

As a rule very few restrictions are imposed.

ASSESSMENT OR NON-LEGAL RESERVE METHOD.

(e) Under this method provision is made to effect the insurance by currently collecting from the members a specified or determinable amount to be paid periodically. Originally this form of contract usually specified that in the event of the death of the insured the beneficiary should receive the proceeds of an assessment not exceeding a maximum sum specified. Later the form was modified so that the sum payable at death should be fixed and certain, while the amount to be collected from the members become variable and uncertain, depending upon the mortality experienced. The variety is limited to the type of policies not requiring large accumulations for their fulfilment, and under which the payments of the insured are coterminous with the life of the policy. The restrictions and conditions, with the exception of the non-forfeitable and accumulation features, are in effect the same as in the policies of the reserve class.

CONDITIONS, PRIVILEGES AND RESTRICTIONS.

(a) Primary Fundamental Conditions.—The truth of the statements contained in the application must be a condition precedent to the issuance of the policy. The payment of the premiums when due is fundamental to the continuance of the insurance. Provision is generally made for the revival of the policy in case of default in the payment of the premium if the insured be in good health. The requirement of legal and proper proof that the contingency insured against has happened is also fundamental. The company that will pay a policy without due and proper proof of death and claim is recreant to its trust.

CONDITIONS IMPOSED BY SOUND PUBLIC POLICY.

(b) Sound public policy limits the insurable ages to the productive period of life, and requires policies to be non-forfeitable for any payments in excess of the current cost of insurance, allowing the companies a small margin for contingencies. It demands a clear and distinct statement of the respective rights of the parties to the contract with reference to the division and disposition of surplus. It requires policies to become incontestable within a reasonable time from date of issuance except for failure to pay premiums when due, and imposes restrictions in the interests of the general public, such as will discourage and prevent fraud and crime. Suicide, which will be discussed under policy restrictions, is an important feature of life insurance as related to public policy.

CONDITIONS IMPOSED BY EQUITABLE CONSIDERATIONS.

(c) These require the policies which have been issued to be kept, as nearly as practicable, in the same classification of hazards.

If the insured voluntarily assumes a hazard known to be great, and not originally contemplated in his contract, the burden of it must either be borne by himself or by other policyholders. Equitable considerations require that every insured should bear his just proportion of such burdens. Hence in the case of military and naval service during time of war the extra premium involved by the war hazard should either be paid by the government served or by the insured or the policy should be proportionately scaled. Equitable considerations also demand that an extra premium should be imposed on persons who reside or travel in certain portions of the tropics where the death rate is fully twice as great as that upon which the premiums are based. A further and very important consideration, but much neglected, is that every policy should be made to pay its own way, including the expenses of writing and placing it. The policy should be so constructed that the premium loading the first policy year is sufficient to pay the expense, and the loading in the subsequent policy years should be correspondingly reduced. The surplus belonging to those already insured should be apportioned to them, and should not be diverted to the payment of expenses incident to obtaining new business.

THE SIGNIFICANCE OF PRIVILEGES.

(d) In a great many policy contracts conditions and restrictions are referred to as privileges. This use of the word privilege is rather difficult to reconcile with the general proposition of law that that which is not prohibited and comes within the purpose of the corporation is permitted. Therefore, unless a policy contract first limits and circumscribes there is absolutely no significance to privileges. For example, to say, when there is no limitation as to travel, that the insured has the privilege of traveling or residing in any part of the known world signifies absolutely nothing, as that privilege is granted by its not being prohibited.

PRIVILEGES IMPLIED BUT NOT EXPRESSED.

(e) It may, therefore, be accepted as guiding principle that within the limits of the powers of the maker of the contract, whatever is not restricted, forbidden or prohibited is a privilege implied although not expressed.

CLASSIFICATION OF RESTRICTIONS.

(f) I have classified the important conditions and restrictions of fifty-one companies. These companies are representative, and the result of the classification clearly indicates the principal policy conditions among the American life insurance companies:

1. Only eleven of the fifty-one companies formally announce accepting risks over sixty.

2. Thirty-seven accept women on the same conditions as men; thirteen require extra premiums or restrict them to certain policies and one company refuses to insure them.

3. Thirty-eight companies voluntarily attach copy of application to the policy, thus giving to the insured a complete contract, and thirteen only do so when required or when the law requires it.

4. All companies have a provision in the policy that it shall not become effective and binding until delivered during the lifetime and good health of the insured and after the required premium is actually paid.

5. Seventeen have no restrictions with regard to occupation after the policy has once been issued; eight have a restriction imposing a penalty if the insured engages in a more hazardous occupation than the one stated in the application; twenty-six have restrictions limited by some to the first policy year and others to the first two policy years.

6. Thirty-five companies have restrictions in regard to military and naval service in time of war, requiring a permit for which an extra premium must be paid or providing for the scaling of policies; six have such restriction for either one or two policy years and ten have no restriction.

7. Nineteen have a suicide clause for one year; twenty-five for two years; three for three years; one without limitation, and three have no restriction.

8. In the matter of dueling and violating law thirty have no restrictions; six have them for one year; twelve for two years; two for three years and one constant.

9. Forty-two have no provision against intemperance; two have it for one year; four for two years; one for three years; two for five years, and one constant.

10. Twenty-four companies have no restriction as to residence and travel; nine have it for one year; fourteen for two years, and four constant.

11. Two companies have no incontestable clause; two stipulate incontestability from date of issue; seventeen after one year; twenty-seven after two years; two after three years, and one after five years.

12. The policies of nine companies provide for no days of grace for payment of premium; those of forty-one companies provide thirty days, and one company six days.

13. Fourteen companies make no provision in policies for reinstatement or revival in the event of lapse, but reinstate merely as a matter of grace; sixteen companies make it a matter of contract without limiting the time; ten limit within a year; three two years; two three years; six five years.

14. All companies have some non-forfeiture provision after two or three years by way of loan, or paid up or extended insurance; four provide cash surrender values after two years; twenty-nine three years; six five years; eight at periods specified in the contract; four no cash surrender values.

15. Six companies pay dividends annually; six annually after the second year; four annually after the third year; four annually after specified periods; nine annually after five years; twenty-two at stated periods or dividends deferred.

16. Forty-four companies provide for the payment of claims immediately after the receipt and approval of proofs of death, and seven specify payment within thirty or sixty days after proof.

CONSIDERATION OF EACH CLASS.

(g) I will consider the classes, as given in (f), in numerical order:

(1) Insurance, as a matter of protection, should be limited to the productive period of life or to between ages fifteen and seventy. If an aged man applies for insurance, and pays the premiums himself as a means of investment and a method of increasing his estate, then there is no special reason for limiting the age on the level premium, or reserve method, of life insurance. Unfortunately, however, a great many aged persons have allowed themselves to be used as subjects for speculation. The astonishing part is that a selfish, unnatural and depraved desire should sometimes develop on the part of sons, daughters and sons-in-law to insure their fathers and mothers under the assessment or cheaper method in the hope of financial gain from a speedy death.

Between the years 1880 and 1884, in the State of Pennsylvania, upward of 200 assessment associations were organized for the purpose of speculating in aged human lives. Through the efforts of the legitimate life insurance companies and associations, the pulpit, the press and the bench, public conscience was awakened and a law was passed in 1883 which put the speculators in human life and the organizations through which they operated out of business within a year. This chapter in the history of life insurance has resulted in the refusal by most companies to insure persons over the age of sixty unless the policy be of the investment type, and the further refusal to issue a policy if any person other than the insured seek to effect the insurance or pay the premiums.

A man under proper policy conditions cannot, and would not if he could, speculate on his own life, and therefore when he himself furnishes the money to pay the premiums the transaction is legitimate at any age and free from the suspicion of speculation.

(2) Repeated mortality investigations have established beyond any question of doubt that when the speculative and moral hazards are eliminated women are as good risks as men, if not better.

While there are still companies which charge women an extra premium of about $5 per $1,000 insurance yearly, most of the companies overcome the hazards by limiting the beneficiaries to minor children or dependents. Such companies have had a satisfactory experience in insuring women.

(3) Twenty-four years ago the Commonwealth of Pennsylvania enacted a law requiring a copy of the application, or any instrument referred to in the policy as a part of the contract, to be attached. Other States have done the same. This is a wise and proper provision and is being carried out voluntarily by many companies in States where it is not required. This law and practice are the outcome of litigation. In cases of contest claimants frequently have not learned until coming into court that a breach of warranty actually existed. It is true, however, that no company would have refused claimants a copy of the application prior to litigation; and it is also true that the knowledge of the contract given by the attached copy of the application does not deter ambitious attorneys from attempting to enforce payment of claim even in case of material breach of warranty.

(4) The provision in all policies, that they shall not become binding until delivery during the lifetime and good health and upon actual payment of premium, has become, under the methods in vogue, an absolute necessity. Courts have even held that in the event of a change in the physical condition of the applicant between the date of application and the delivery of the contract

the warranty is continuous and that it is the duty of the applicant to give notice to the company of the changed conditions before accepting the contract.

Where no consideration has passed, where the agent has not given a binding receipt to put the policy in force as soon as the risk is accepted by the company, such decisions as referred to seem just and right. The applicant for insurance, until he has actually made payment of the premium, is in a position to temporize and procrastinate. He often does so, and as a matter of justice his delay should be at his own risk and not at that of policyholders.

(5) Restrictions with reference to occupations have been materially modified or entirely dispensed with during the last two decades. All companies at the inception of the contract take into account the hazards of occupations and impose conditions or rates to cover them, but it is so rare for men to change from less to more hazardous occupations that the majority of the companies, especially after the first policy year, have removed all restrictions, and this is particularly true under deferred dividend policies.

(6) It has often been said, "In time of peace prepare for war." The long continued peace seems to have impressed a number of companies with the idea that there is no need of being prepared for war. Such companies have removed all restrictions with reference to military and naval service. In the statistics of war hazards there is no justifications for doing this. In the late Civil War, as well as in European wars a generation or more ago, the proportion of the insured to the general population was so small as to produce no serious result to the companies, even if they had no policy restrictions. This condition has been changed; about one-half of the male population is now carrying insurance of some kind. In case of a general or extensive war the companies without restrictions might be wiped out of existence by a few battles. Hence, the removal of all restrictions is simply liberality gone mad. The people who insist on having a "wide open" policy should realize that in several respects there is great peril and danger to them in such a policy.

It was my privilege, in the capacity of consulting actuary for the Army Officers' Association, to review the records of the United States War Department, from the institution of the department to the year 1893. From these records tables were constructed showing the war hazards as well as the mortality in military life. As a result I reach the conclusion that a company which entirely eliminates restrictions in time of war is recreant to its trust.

The clause in the policies with reference to military and naval service in time of war has, as a rule, been constructed on such equitable and reasonable lines as to render it unobjectionable. A clause which seems to me to be the most desirable is that which provides for the payment of an extra premium and a permit, and in the absence of the same provides for the scaling of the policy in the proportion of the war mortality to the tables upon which the premiums are based.

It is quite possible that with the increase of the insured population, in lieu of subsequently pensioning the widows of deceased soldiers, on declaring war the Government might make provision for the payment of the extra war hazard premiums of the insured who enlist. The details of such a scheme could be worked out satisfactorily.

SUICIDE.

(7) It has been assumed that a sane person will not commit suicide, and that therefore it should not be made a defense to a claim under the terms of the policy. This assumption has again and again been demonstrated to be a fallacy. While a certain proportion of suicides are no doubt irresponsible, the great majority are rational and thoroughly conscious of what they are doing. The proof of this lies in the statistical fact that companies and societies which have no suicide clause in the first few policy years have had from three to five fold greater percentage of deaths by suicide than they have had in subsequent years. It is true that the deaths have not always been designated as suicidal, but the remarkable fact remains that the so called accidental deaths have been much greater in the first than in subsequent policy years. If this is not due to a conscious selection against the companies then how else can it be accounted for? Again, some of the fraternal societies which have had no suicide provision, by adopting such clause materially reduced the per cent. of suicides.

The State of Missouri some years ago enacted a law prohibiting companies from making suicide a defense. The moral effect of this law was so bad that the last Legislature, on its own motion and without any effort on the part of insurance companies, changed the law so that suicide within two years of the date of policy contract may be a defense.

It is exceedingly difficult, in cases where suicide is suspected, to get the true cause of death properly stated in the proofs of loss and claim. Suicide at once becomes a sort of stigma upon the immediate family, and because of this and because a frank and honest admission might defeat the recovery of insurance every means is resorted to to conceal the true cause of death.

In the interest of good morals and the elevation of the human race every policy of life insurance for at least the first two years should impose a penalty for death by suicide.

(8) The restrictions with reference to dueling and violating law or death by the hands of justice have either been entirely removed or so modified as practically to amount to nothing. Happily, dueling is now regarded as an act of cowardice instead of bravery, and it is so seldom resorted to for the settlement of disputes or the defense of honor as to make its elimination from the life insurance contract entirely practical. There is, however, a form of violation of law which has become quite serious in some States and for which no remedy has been found. I refer to the feuds as a result of which a number of policyholders have been murdered in cold blood at the expense of other policyholders who had no part in the feuds. Indeed, there are sections of our country where the life companies for a time have found it necessary to decline to do business. Feuds create conditions that cannot be met by policy restrictions.

(9) The great care exercised by the companies generally in the selection of risks, excluding all persons of questionable habits, renders a policy clause against intemperance practically of no value. This is why a large proportion of the companies have no provision against intemperance.

(10) The improvement in sanitary conditions and in the means of travel have justified the companies in eliminating most of the restrictions upon residence. About one-half of the companies have no restrictions whatever. A man can take out a policy in this country today, pay for it, and tomorrow travel to and reside in a country where the mortality is admittedly twofold. I fully agree, because statistics show, that a restriction in the temperate zone is unnecessary, but I can find no justification for allowing persons to take out policies in the temperate zone at regular rates and then permitting them to live in the fever stricken sections of the tropics without requiring an extra premium. No argument against this is necessary beyond the statistics of our American companies which do business in the tropics. While it is true that they collect a larger premium, it is also true that about 50 per cent. of such larger current premium is required to pay the current losses, while in the temperate zone about 25 per cent. of a smaller premium is sufficient. Hence, conservatively managed companies incorporate some policy restriction which will neutralize the effect of residence and travel either in portions of the tropics or in portions of the frigid zone.

INCONTESTABILITY.

(11) The public sentiment already referred to as due to unfortunate insurance conditions following the Civil War is responsible for a division of opinion among the life companies with regard to the so called incontestable clause. One class—and this class is decidedly in the minority—favors what is known as the "open door" policy, which in effect provides that after the policy has been issued the company is precluded from raising any question as to the validity of the contract. The class of companies must of necessity employ a retinue of inspectors and detectives to learn all about the character of the risk before a policy is issued. This involves a large expense which must be borne by the existing policyholders.

Another class of companies believes that every applicant should personally become responsible for the truth of his own statements for limited time—usually two years—without entailing on the other policyholders the expense incident to the special and searching investigations necessary in case a policy is incontestable from date of issue.

There are not only common law questions, but questions of public policy involved. As a common law principle fraud vitiates contracts. As a matter of public policy, no man should be allowed either for himself or his dependents to profit by his own fraud. Hence, 96 per cent. of the companies do not issue policies incontestable from date of issuance. Instead their policies become incontestable usually two years afterward. This gives a company the opportunity, in the regular course of its business, of verifying the statements upon which the contract is based, and if it finds that untrue and fraudulent statements have been made and the insured does not voluntarily surrender the policy when

called upon to do so, equity proceedings are usually instituted to compel its surrender.

The courts of several States have held such policies, after the lapse of the contestable period, to be absolutely incontestable, because the company issuing such a policy has reserved to itself a period of time to investigate and discover any false or fraudulent statement that would vitiate the policy. If it fails to investigate and discover, the fault is its own and therefore it cannot avail itself of the common law principle which obtains in case the policy is made incontestable from date of issuance, viz., that fraud vitiates or renders null and void all contracts. It may therefore be contended, with considerable force, that the few companies which have no incontestable clauses are better protected against fraud than those which do have such clause. On the other hand, if the fraud is of such a character as not to be detected within two years it cannot be serious and by the express terms of the contract should not be allowed to affect it.

(12 and 13) The feature of grace in the payment of premiums had its origin in the desire of the companies to do all they could within the limits of safety to avoid lapses. Its principal effect is to postpone the last day of payment, or the final due date. Therefore, if a policyholder, instead of using the days of grace as a margin to avoid lapse, should get into his mind that instead of the final day of payment being March 1 it is March 30, and should procrastinate accordingly every year, he would lose all the benefits of the feature.

Reinstatement should not be simply a matter of grace, but a matter of right under the contract, upon compliance with reasonable requirements to prevent those who purposely lapse their policies from coming back into the company after they have become afflicted with disease.

(14, 15 and 16) The non-forfeitable and dividend provisions, as also those covering payment of claims, are features upon which there is such a degree of unanimity and such uniformity of practice that there is little to be said beyond what will be disclosed by the examination of the policies of any reserve company.

In a general way, however, I will say that cash surrender values are not only liable to defeat the very purpose of protection for which insurance stands, but to encourage selection against the company; and that the non-forfeitable values, through competition, have become liberal to a fault. A company that imposes some penalty for discontinuance will best serve its persisting policyholders.

The dividend clauses, whether annual or deferred, should be explicit, direct, unequivocal and enforcible. A contract that does not clearly and distinctly draw the line between surplus and distributive surplus, and that without some governing, fundamental principle, leaves the rules and directors of the company in the future to determine what surplus is or is not distributive, is objectionable.

The ideal policy stipulates the governing principle which in the matter of distributing profits is binding both upon the insurer and the insured.

FACTS AND OPINIONS.

(*Continued from page 254.*)

cuit Court there seeking to enjoin the officers of the Royal League of Chicago from making illegal use of its funds. They are charged with a wrongful use of over $30,000 of the funds within the past five years.

The **Camden Fire Association** of Camden, N. J., will open its new building the latter part of this month, and will celebrate the occupancy by a banquet, to be given in the new home office itself, on the evening of March 30. A number of prominent underwriters in New York, Philadelphia and Newark have been invited to attend.

The **People's Fire insurance company** of Little Rock, Ark., is the latest of the mutuals of that stricken State to reorganize on the stock plan. Its capital is $100,000, and a half of it has been paid in. Ex-Governor Daniel W. Jones is president, R. D. Plunkett vice president and treasurer, and J. M. Holland secretary.

The recent visit of General Manager Wilson, of the home office of the **Northern of London,** to the Pacific Coast, in company with Manager G. H. Lermit, of Chicago, has resulted in the withdrawal of the company from the Pacific Coast Union. The Northern has had grievances against that body for some time.

The proposal to incorporate the Fidelity Trust Company of Baltimore as an adjunct to care for the banking business of the **Fidelity and Deposit Company,** of that city, has been formally indorsed by the directors. Mr. J. V. McNeal, fourth vice president of the B. & O., was elected a director of the Fidelity and Deposit Company.

Des Moines is preparing **to improve its fire protection** so as to secure the removal of the conflagration charges which will otherwise go into effect next month. The appropriation committee has assigned the department over $100,000, which will provide for eleven additional firemen and three new fire houses.

The policy of the Fidelity Mutual Life insurance company of Philadelphia on the life of **ex-Mayor McCue,** of Charlottesville, Va., who was hanged recently for the murder of his wife, has been paid in full. It was for $10,000. The Northwestern Mutual Life refuses to pay its $15,000 policy on McCue.

The friends and associates of **Robert B. Armstrong,** ex-Assistant Secretary of the Treasury, who this week became president of the Casualty Company of America, presented him with a silver loving cup at a dinner given in his honor at Washington last Saturday, at which Secretary Shaw presided.

The London *Review,* in a facetious paragraph on the tendency of modern **life insurance medical examiners** to multiply requirements in the examinations of applicants for insurance, suggests the addition of the tests for army recruits "to hop up the room on one leg and down on the other."

"Early to bed and early to rise does very well for **sick folks and guys,** but it makes a man miss all the fun till he dies and joins the stiffs that are gone to the skies. Go to bed when you please and lie in your ease, you'll die just the same of some Latin disease."—*Booneville Advertiser.*

The premium income in 1904 of the **Prudential of London** was £3,969,016 in the ordinary, and £5,979,335 in the industrial department. The total number of industrial life policies in force December 31 was 15,577,161, and their average duration was ten and three-quarters years.

The report of a fire, load and water **test of a hollow tile, groined arch floor,** constructed by the National Fireproofing Company at Pittsburgh, Pa., has been published in pamphlet form. The test was made by Prof. Ira H. Woolson, of Columbia University.

Incorporation papers have been filed for the **Puget Sound Life insurance company** of Seattle, the first corporation of its kind formed in that part of the United States. The new enterprise will have offices on the second floor of the Alaska Building in that city.

The Minnesota rural mail carriers have organized the Minnesota Rural **Letter Carriers Mutual Horse insurance com-**

pany, with headquarters at Wayzata. It will indemnify the carriers against the loss of their horses by death or temporary injury.

A **re-examination of the Northwestern National Life** of Minneapolis has been ordered by Commissioner O'Brien, of Minnesota, in order to verify the company's last annual statement. It will be made by Actuary S. H. Wolfe, who is now in St. Paul.

The Iowa Auditor of State has notified the **Philadelphia Underwriters** that in his opinion the **joint policy** issued by that combination is not in accord with the laws of that State. An opportunity will be given the company to argue the case.

The Board of Control of Minneapolis has placed $250,000 of **steam boiler insurance** on the various State institutions, giving it to the Hartford Steam Boiler Company after getting bids. The premium is understood to be $1,500 for three years.

The **Albany insurance company** of Albany, N. Y., this week celebrated its ninety-fourth anniversary. The officers were the recipients of numerous conflagration. The Commerce of Albany sent a "round robin" and a floral horseshoe.

The **Jefferson Fire and Marine** insurance company of Richmond, Va., at its annual meeting held recently re-elected W. S. Bennett president, Mr. Devlin secretary and treasurer, and Mr. Taylor assistant treasurer and general agent.

A **life insurance company,** with Joseph F. Smith, president of the Mormon Church, as president, has been formed **at Salt Lake.** The capital is $5,000,000, with $100,000 paid in. Many of the apostles will be directors and stockholders.

License of the **Inter-State Live Stock insurance company** of the District of Columbia was revoked on March 11 by the Superintendent of Insurance of the District for violation of Section 647 of the Code.

At the meeting of the New York Board of Fire Underwriters the report of the special committee on **classification of fires and losses** was received and made the order for a special meeting.

The **Northwestern National Life of Minneapolis** is withdrawing from several States which have not proved profitable. It is already out of Wisconsin and Michigan, and may leave others.

The **Bankers Fire** insurance company of Cleveland, Ohio, has been organized with $100,000 capital and $50,000 surplus to take over the business of the Home Mutual of that city.

The **Minnesota Mutual Life** insurance company of St. Paul is undergoing examination by Actuary S. H. Wolfe at the instance of the Minnesota Insurance Department.

The directors of the **Delaware insurance company** of Philadelphia have elected J. Parsons Smith, Jr., secretary of the company in place of Henry Lylburn, retired.

California has been entered for business by the Security of New Haven and Security Fire of Baltimore.

The **United States Guaranty Company** of New York has withdrawn from Missouri.

Personal.

AGENCY APPOINTMENTS.

American of Newark: Edgar Dunlop, local agent at Atlanta, Ga.

Eagle Fire of New York: Moore Brothers & Sawyer, Minneapolis, Minn.

German-American: Arthur Porter, special agent for Wisconsin.

Minnesota Mutual Life: W. D. Modigan, State agent for Washington, with headquarters at Seattle; James A. Elsmore, State agent for Idaho and Montana, with headquarters at Butte.

New York Underwriters' Agency: Edward A. Ritt, of St. Paul, special agent for Minnesota and the Dakotas.

North German Fire: J. H. Ankele, of San Francisco, general agent for the Pacific Coast.

Security Fire of Baltimore: J. H. Ankele, of San Francisco, general agent for the Pacific Coast.

Security of New Haven: Ed. E. Potter, of San Francisco, general agent for the Pacific Coast.

Svea: Detroit Insurance Agency, Detroit, Mich.; Schmidt & Smith, Indianapolis, Ind.

Mr. Charles D. Barton, former general agent of the Greenwich insurance company of New York, died at his home in Elizabeth, N. J., on Monday after an illness of more than a year. Mr. Barton entered the fire insurance business with Martin Bennett, Jr., manager of the Scottish Union and National and the Lion, in Hartford in 1880. In 1887 he was appointed assistant manager of the Glasgow and London insurance company in Montreal, and on the retirement of that company was for several years in the office of the British America at Toronto. He was appointed general agent of the Greenwich insurance company in 1901 and was superintendent of agencies at the home office in New York until the fall of 1903, when he was incapacitated for work from Bright's disease, which eventually caused his death. His industry and long experience made him very favorably known in the business and he was widely popular for his personal qualities. He was forty-five years old.

Mr. David Meiklejohn, manager of the metropolitan district for the Maryland Casualty Company, has resigned, and the severance of his relations is a matter of surprise, as he has been very successful in his conduct of the company's affairs. It is understood that he leaves for personal rather than business reasons. Mr. Meiklejohn was formerly connected with the Fidelity and Casualty, where as a boy a number of years ago he learned the business from the ground up. He is very favorably known in insurance circles and will probably announce a new connection in a short time.

Messrs. Montgomery & Funkhouser have been appointed general agents at Chicago of the United Underwriters' Agency, the combination made up of the Farmers and Merchants, German of Indiana and National of Allegheny. They succeed Charles B. Gilbert, who resigned to become vice president of the Calumet Fire of Illinois. Montgomery & Funkhouser have the controlling interest in the Farmers and Merchants.

President Parker and Vice President Woodbridge, of the Columbia National Life, are on the Pacific Coast establishing a department at San Francisco, with Walker & McColl as managers. S. W. Lindsay has been appointed manager for Indianapolis, and H. F. Whitney and F. C. Merrill managers for Detroit. Frederick White has been made manager for Minnesota, and N. L. Buckingham at Des Moines.

Mr. H. H. Crockett, manager of the New York Life insurance company at Nashville, Tenn., and formerly manager of the Home Life insurance company of New York in that city, died at his home there of apoplexy on March 1, aged fifty-three years. He had been in the insurance business in Nashville since his youth and was widely recognized as a successful and progressive life underwriter.

Actuary Corneille L. Landré, of the Algemeene Maatschappij van Levensverzekering en Lijfrente, the well known mathematician of Holland, who was the delegate of the Amsterdam Society of Actuaries to the International Congress in New York in August, 1903, died on January 12, after a long and severe illness. He was the author of many important mathematical and insurance works.

President Starnes of the National Life of the U. S. of A. is sending a sixty page pamphlet to the 40,000 policyholders of the company, containing the president's address to the policyholders, detailed financial statements, statistical records as to the business, and views of the National Life building.

Mr. R. A. Osmun, formerly of the North American Accident insurance company, has been appointed assistant to Mr. F. F. Eagles, New York manager of the accident department of the Travelers of Hartford. Mr. Osmun is developing territory in this city between Twenty-third and Forty-second streets.

Mr. Edmund A. Whittier has been appointed manager of the Washington Life insurance company for Maryland and the District of Columbia at Baltimore. Mr. Whittier was formerly special agent of the Mutual Life with George B. Raymond at Newark, N. J.

Vice President R. M. Bissell, of the Hartford Fire insurance company, will speak on the topic of "Fire Insurance—Its Place in the Financial World," before the Insurance Library Association of Boston at the Exchange Club in that city next Friday evening.

Mr. L. Brackett Bishop, Illinois manager of the Massachusetts Mutual Life, had an agency rally March 11 at the Chicago offices, where some fifty of the agents, helpers and friends of the company gathered. After lunch there were talks by the visitors.

Mr. T. B. Sweeney, West Virginia manager of the Equitable Life, gave a banquet at Wheeling March 7, at which leading Equitable agents in

West Virginia and Eastern Ohio met H. L. Rosenfeld, supervisor of agencies from the home office.

Mr. B. H. Richardson, of New Orleans, manager for Southern Louisiana of the Washington Life insurance company, was a visitor at the home office of the company this week, as was also Mr. E. R. Ellis, Georgia manager of the company.

Mr. Frank Halle, son of E. G. Halle, Western manager of the Germania, who has been special agent for the company in Southern Illinois, has been put in charge of the Wisconsin business.

Mr. Elmer H. Dearth, who retired recently as Insurance Commissioner of Minnesota, has gone into the fire insurance business at St. Paul, buying out the Hemenway interest in the old agency of Hughson & Hemenway.

Mr. W. T. Benallack, inspector for the Western Factory Insurance Association, lectured before the Western Society of Engineers in Chicago, March 10, on "The Electrical Fire Hazard."

Mr. William G. Whilden, secretary and manager of the Eagle Fire, who is at present in St. Paul, Minn., on business for the company, has been suffering from a slight attack of the grip.

Mr. Harry K. Johnson, of Vicksburg, Miss., has purchased a large block of stock of the Mississippi Home insurance company and secured a controlling interest in the company.

Mr. Garnett M. Battle, of Memphis, Tenn., has been appointed special agent of the London Assurance Corporation for Kentucky, Mississippi and Louisiana.

Mr. A. W. Hardy, manager of the Western Sprinkled Risk Association, addressed the Fire Insurance Club of Chicago March 14 on "Sprinkler Equipments."

Mr. Sidney Dillon Ripley, treasurer of the Equitable Life, who died recently, left property valued at $5,000,000 settled upon his widow and children.

Mr. T. W. Eustis, former Western manager of the Manchester, who went to the Bermudas on a winter vacation trip, has returned to Chicago.

General Manager Chapman, of the home office of the Caledonian insurance company, arrived in New York this week per steamer Umbria.

Mr. J. C. Perkins has been reappointed Insurance Commissioner of South Dakota by Governor Elrod.

Mr. J. F. Lear, an insurance agent of Lancaster, Ky., died there March 8, aged forty years.

Mr. Louis Deuchler, insurance agent at Lyons, N. Y., died there March 12.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

LITTLE ROCK, Ark., March 13.—Senator Milan's bill to amend the anti-trust law so as to eliminate the extra-territorial feature regarding fire insurance companies was defeated in the Senate today by a vote of ayes, 6; noes, 26. The following is a report of the debate which preceded the taking of the vote on the third reading of the bill:

Senator Milan believed that every Senator understood his motive in offering the bill. There were good reasons at this time for the passage of this bill, because of the big fire at Hot Springs. There was nothing in Arkansas to prevent any home company from doing business. He did not believe the home companies could carry the insurance required in Arkansas. The fire sufferers had paid mortgages on their property with insurance collected and had nothing left with which to rebuild. The people who did not carry insurance, he said, shared in the benefits of the money paid by the companies. The Arkansas Legislature was here, he said, to legislate for Arkansas only, not for New York, Tennessee or any other State. What mattered what was done in other States? Above all business reasons, there is an appeal in the name of humanity for relief.

Senator Butt said the passage of this bill would nullify the entire Logan bill, for the higher courts had decided that such bills must be general bills and there could be no exceptions. No trust could be excepted from the provisions of the Logan bill. The Senator from Garland was asking too much, he said, for the anti-trust law must not be repealed.

Senator Hardy did not believe the insurance companies were going to quit business in Arkansas. In his opinion the people of Hot Springs could get plenty of money from their local people.

Senator Holland would vote for the bill because he opposed the Logan anti-trust bill, which the Milan bill would repeal. His constituents demanded the passage of this bill.

Senator Cotham did not believe the bill should receive the slightest consideration from the Senate. For six years the Governor had demanded the Logan bill and the city of Hot Springs even piled up a majority of 2,000 for the King bill. The people had asked for the Logan bill, and now they must take their medicine, undiluted.

Senator Gray favored the Milan bill. If it would repeal the Logan bill he still favored it.

Senator Legate was in favor of the Milan bill.

Senator Toney said while he was at home recently many of his constituents had told him to vote for the bill and extend sympathy to the people of Hot Springs in their distress. Old line insurance, he said, was the basis of credit in Arkansas, and Hot Springs must have it to rebuild. The withdrawal of the insurance companies would wreck the business interests of Arkansas, he said. It did not matter to him who introduced the bill so long as it was right.

Senator Jobe said he would vote the wishes of his constituents, which were against the bill. He did the same when he voted for the Logan bill. He wanted his people to have what they wanted. Until the people changed their minds he would not change.

Senator Thompson called for the previous question, which was sustained.

Senator Milan, in conclusion, said that if he could part with his right arm to get the bill passed he would gladly do so.

The roll was called and the bill failed to pass—ayes 6, noes 25.

The detailed vote was as follows:

Noes—Adams, Amis, Browning, Butt, Collins, Cotham, Fletcher, Floyd, Goodwin, Hardy, Harrison, Hinkle, Jobe, Killgore, Lee, Logan, McFerrin, Mears, Pinnix, Rector, Simpson, Smith, Thompson, Vaughter, Mr. President—25.

Ayes—Gray, Holland, Legate, Milan, Rison, Toney—6.

Absent and not Voting—Gross, Killough, McCall, Moore—4.

Arizona.

PHŒNIX, Ariz., March 14.—There was introduced yesterday, by Mr. Wilson, House Bill No. 27, authorizing the appointment of a Commissioner of Insurance and relating to insurance companies doing business in Arizona. The commissioner is to have charge of examinations and fee collections in Arizona. The bill provides that one-fifth of premium collections in the State must be invested in Arizona securities.

House Bill No. 105, by Mr. Davis, relating to unauthorized companies, and House Bill No. 38, by Mr. Keating, concerning the filing and statements and bonds by insurance companies, have finally passed.

California.

SAN FRANCISCO, Cal., March 9.—House Bill No. 746, by Mr. Bates, regulating the investments of California insurance companies, has passed both houses and gone to the Governor for signature.

Colorado.

DENVER, Col., March 10.—There has been no consideration of the many insurance bills introduced at this session of the Legislature, and there will be none for several days, as the contest for the governorship is occupying the middle of the stage in this State. The indications are that the insurance laws will remain as they are, as in the press of other business at the last of the session the bills introduced in regard to insurance will be neglected for more important measures.

Connecticut.

HARTFORD, Conn., March 10.—The House has rejected the bill authorizing the Comptroller to insure the State Capitol and contents. The House also rejected the bill requiring insurance rates to be made by agents, not by rate boards or the companies.

The Insurance Committee has reported favorably the bill authorizing the Insurance Commissioner to give back such securities as he is not required to hold for insurance companies by the laws of the State.

HARTFORD, Conn., March 16.—The Senate has insisted on its action in passing the resolution authorizing the Comptroller to insure the Capitol and contents for $1,000,000, at an annual cost of about $4,000 for premiums, and has appointed a conference committee. The House had previously rejected the resolution, and its passage is conjectural. The Committee on Capitol, Furniture and Grounds reported the resolution favorably by a unanimous vote.

Several representatives of fraternal societies appeared this afternoon before the Committee on Insurance in support of the bill which provides that no secret or fraternal society shall employ agents in soliciting, except for organizing local lodges and assisting weak lodges to increase their membership. Nobody appeared in direct opposition to the bill, but Insurance Commissioner Upson told the committee he didn't believe the proposed legislation was necessary. He did not consider that the present law prevented subordinate lodges from offering prizes for securing new members.

The resolution incorporating the Mechanics Mutual Fire insurance company was amended so that the maximum assessment is limited to twice the amount of the premium. A hearing will be given on March 30 on the proposition to repeal certain sections of the charter of the Hartford Life insurance company relating to the safety fund. Bills regarding reports of insurance companies to the commissioner; requiring surety companies to have a reserve fund of not less than 50 per cent. of gross premiums, and regulating the reports made by surety companies were passed by the Senate today in concurrence with the House.

Delaware.

DOVER, Del., March 12.—The bill of Insurance Commissioner George W. Marshall, to regulate fraternal beneficial societies in this State, will not be enacted by the present session of the Legislature. It was indefinitely postponed by common consent after Commissioner Marshall had conferred with a large delegation of fraternal society officials.

This was the principal insurance bill brought before the present session of the General Assembly, and as the body will adjourn within the next two weeks, it will end without any legislation of importance having been enacted of an insurance nature. The Legislature has not received any new business since March 3.

Idaho.

BOISE, Idaho, March 13.—The Governor has signed House Bill No. 233, amending the anti-rebate law.

BOISE, Idaho, March 13.—Governor Gooding has signed the last of the insurance bills passed by the Legislature. Those passed were House Bill No. 233, amending the anti-rebate law, and Senate Bill 113, regulating surety companies; Senate Bill No. 42, providing for a valued policy, was recommitted, and a substitute for it died in committee.

Illinois.

SPRINGFIELD, Ill., March 14.—The Senate today passed Senate Bill No. 137, by Mr. Dixon, authorizing fire insurance companies to insure against loss or damage by sprinkler system, pump or other fire apparatus; also

Senate Bill No. 131, by Mr. Mueller, repealing an act providing for licenses to agents to procure fire policies in unauthorized corporations, and providing for a bond to be given by such agents, and for a tax upon the receipts of premiums received for policies so issued within the State.

SPRINGFIELD, Ill., March 15.—In the House today Mr. Bebee introduced a bill requiring foreign insurance companies to deposit with the Insurance Superintendent a sum equal to that required from the companies organized in this State. Any company depositing such securities shall be entitled to receive the income therefrom and at any time to exchange the same, with the consent of the Insurance Superintendent. The bill was referred to the Insurance Committee.

Indiana.

INDIANAPOLIS, Ind., March 8.—The sixty-fourth General Assembly of Indiana adjourned sine die at midnight March 6 without having devoted as much time as usual to insurance legislation. The principal legislation was that which admits foreign mutual fire insurance companies to Indiana with $50,000 cash assets and $100,000 premium notes, and that which widens the class of investments that foreign insurance companies are allowed to file with the Auditor of State as assets. This latter legislation, even before the Governor signed the Strickler bill, Senate Bill No. 337, resulted in applications on the part of several companies to do business in Indiana.

The foreign mutual insurance bill, House Bill No. 2, which originally required only $20,000 cash assets, met with opposition. The House was favorable to the original bill, but the Senate stood out against it until a compromise was effected on $50,000 cash assets. The mutuals seemed to have a pretty strong hold on the Legislature because of a feeling rather widespread that the Western Union of fire companies has a combine and is charging rates that are too high. Out of this feeling grew a bill, introduced by Senator Moore, Senate Bill No. 208 to create a fire insurance commission, with power to fix rates. This bill, however, was smothered in the Senate committee. Senate Bill No. 74, regarding investments that foreign companies may submit as assets, was killed by the House a few hours after the House had passed the foreign mutual bill. Later, however, the intention of Senate Bill No. 74 was carried out more completely in Senate Bill No. 337, to which there was little objection. It was common talk here that the mutuals were well supplied with money for lobby work. Senate bill No. 92, the codification commission bill on private corporations, which included laws on insurance, was killed on third reading in the Senate. House Bill No. 119 was the same as Senate Bill No. 92, but the House never dealt with the bill except in committee.

The following bills became laws:

House Bill No. 2, foreign mutuals.

House Bill No. 426, widening the class of investments for casualty, health and accident companies.

Senate Bill No. 50, allowing insurance companies incorporated in Indiana to invest in the bonds of countries or provinces where the companies are doing business. Particularly, the State Life insurance company of Indiana desired to invest in Canadian securities.

Senate Bill No. 337, widening the class of investments that may be submitted as assets by all foreign insurance companies

Little consideration was given to the so called freak insurance bills. All bills except the above failed.

Kansas.

TOPEKA, Kan., March 11.—Of the mass of insurance bills introduced at the session of the Legislature just adjourned, the only bills passed affecting stock insurance companies were House Bill No. 24, by Mr. Hussey, regarding agents of unauthorized insurance companies, and House Bill No. 293, by Mr. Hussey, text of which follows.

All other proposed insurance legislation failed:

Following is the text of House Bill No. 293, which has been enacted:

Sec. 1. That in addition to the purposes for which corporations may be formed under existing laws of this State, private corpo-

rations may also be formed for the purpose of guaranteeing the fidelity of persons holding offices of public or private trust, to execute and guarantee bonds and undertakings in judicial proceedings, and to guarantee the faithful performance of any and all public, official or private duties.

Sec. 2. No such corporation shall be formed under the laws of this State unless the same shall have a paid up capital of not less than $100,000.

Sec. 3. Upon being granted a charter by the Charter Board, such corporation shall not transact any business in the State until it shall have, in addition thereto, complied with the laws of this State governing life insurance companies so far as applicable, and shall obtain from the Superintendent of Insurance authority to do business in the same manner and upon payment of the same fees required of life insurance companies organized under the laws of this State.

Sec. 4. Foreign corporations organized under the laws of foreign States or countries for the purpose of transacting all or any of the kinds and classes of business set forth in Section 1 of this act may be admitted to transact said business in this State upon the same terms and by the same procedure by which foreign life insurance companies are permitted to transact their business in this State; and such corporations shall be required to pay to the Superintendent of Insurance the same fees and comply with the same conditions required of foreign life insurance companies.

Sec. 5. Every corporation authorized to transact the business set forth in Section 1 of this act in the State of Kansas shall, on the 1st day of January or within sixty days thereafter, file with the Superintendent of Insurance of this State a statement of its affairs in the same manner and form as is now or may be hereafter provided by law for life insurance companies.

Sec. 6. This act shall apply to all foreign corporations transacting the kinds of business set forth in Section 1 of this act which have heretofore complied with the provisions of Sections 531, 532 and 533 of the General Statutes of 1901, and all such companies shall comply with the provisions of this act before being permitted to continue business in this State.

Sec. 7. Sections 531, 532 and 533 of the General Statutes of 1901, being Sections 2, 3 and 4 of Chapter 73 of the Laws of 1895, are hereby repealed.

Maine.

AUGUSTA, Me., March 10.—The Committee on Mercantile Affairs and Insurance gave a hearing on several important matters Tuesday and reported "ought to pass" on the bill allowing thirty days within which to notify an accident company of illness or death under a health policy.

Senator Clark appeared in favor of his bill permitting individuals to do a fire insurance business. The bill was "tabled" for further consideration. Similar action was also taken on the bill requiring the insured under the standard policy to file notice of loss "within a reasonable time" instead of "forthwith" as required at present. The hearing on the Clark bill to repeal the arbitration clause in the standard fire policy was assigned to Thursday, March 16.

AUGUSTA, Me., March 15.—The Committee on Mercantile Affairs and Insurance reported "ought to pass" on the bill amending the standard policy by changing the time within which notice or proof of loss may be given to the company from "forthwith" to "a reasonable time."

It also reported "ought *not* to pass" on the bill permitting individuals to do a fire insurance business. The report was "tabled" by Senator Clark pending acceptance.

AUGUSTA, Me., March 16.—The bill to eliminate the arbitration clause from the standard fire insurance policy, which passed the Senate, was indefinitely postponed in the House today, which is believed to mean its finish.

Massachusetts.

BOSTON, Mass., March 10.—The House has accepted without debate, the adverse report of the Committee on Insurance on the petition of Mark N. Skerrett, with House Bill No. 677, for a law for annual distribution of profits of life insurance companies doing business on the participating plan.

In the Senate the Committee on Insurance reported against House Bill No. 794, requiring fidelity insurance companies to deposit security with the State Treasurer, and against Senate Bill No. 102, requiring foreign insurance companies to make a deposit of $200,000 with the State Treasurer as a condition of doing business.

The Insurance Committee reported in the House this afternoon leave to withdraw on the petition, with House Bill No. 444, for a change in the referee clause in the standard insurance policy.

The Senate today accepted the adverse report from the House on the petition, with Bill No. 766, for a law to regulate the investments of life insurance companies and savings banks.

BOSTON, Mass., March 10.—In the House this afternoon Mr. Kenney, of Holyoke, moved to reconsider the acceptance of the adverse report yesterday on the petition for an annual distribution of the profits of life insurance companies doing business on the participating plan. He argued that there was injustice in the long delay in the distribution, especially in the case of policyholders who die in the latter part of the present twenty year distribution period. Mr. O'Brien, of Worcester, against reconsideration, said that there are participating and non-participating policies, and people can choose between them. The House was almost unanimous against reconsideration.

The House postponed to Monday the adverse report of the Insurance Committee on the petition with House Bill No. 444, for a new draft of the referee clause in the fire standard policy, so that a compromise bill can be prepared.

The Insurance Committee reported in the House this afternoon leave to withdraw on the petition with House Bill No. 445, for omission of the arbitration clause from the standard fire policy.

The committee also reported leave to withdraw on the petition of William L. Chase with House Bill No. 680, for a law that a life insurance policy shall not become void because of nonpayment of premium till six months have elapsed after the premium is due.

The Senate accepted without debate the reports of the Committee on Insurance, leave to withdraw on the petition with Senate Bill No. 102 of W. E. Barron and another for legislation relative to foreign insurance companies, and leave to withdraw, on the petition with House Bill No. 794, of Clarence F. Eldredge for legislation to compel foreign companies transacting fidelity insurance or corporate suretyship to deposit with the State Treasurer security for their obligations.

BOSTON, Mass., March 13.—The Senate this afternoon passed to be engrossed House Bill No. 177, by Mr. Wheeler, to authorize cities and towns to establish municipal buildings insurance funds.

The House accepted the adverse reports upon two petitions, with House Bills Nos. 444 and 445, each involving the change or repeal of the arbitration clause of the standard fire insurance policy.

BOSTON, Mass., March 14.—The Insurance Committee reported leave to withdraw, on the petition of John F. Sheehan, with House Bill No. 864, for a law to limit the investment of life insurance companies of their legal reserves in the stock or bonds of any bank or trust company.

The Senate concurred with the House in accepting the report of the Committee on Insurance, leave to withdraw, on the petition, with accompanying bill, House No. 677, of Mark N. Skerrett for legislation relative to an annual distribution of profits by life insurance companies doing business on the participating plan.

BOSTON, Mass., March 15.—The House accepted this afternoon the report of the Committee on Insurance, leave to withdraw, on

petition, with House Bill No. 864, of John F. Sheehan for legislation relative to investments of the legal reserves of life insurance companies; the report of the Committee on Insurance, leave to withdraw, on the petition with Senate Bill No. 102, of W. E. Barron, and another for legislation relative to foreign insurance companies, and the report of the Committee on Insurance, leave to withdraw, on the petition, with House Bill No. 794, of Clarence F. Eldredge for legislation to compel foreign companies transacting fidelity insurance or corporate suretyship to deposit with the State Treasurer security for their obligations.

Michigan.

DETROIT, Mich., March 11.—Owing to the fact that the constitution of Michigan was amended last November so as to do away with the provision limiting the time within which legislative bills might be introduced to the first fifty days of the legislative session, legislation is in a different condition this year than at any previous session of the Legislature. Bills may now be introduced as long as the Legislature is in session, whereas in previous years all measures were on the calendar at this period of the session.

The present situation with reference to insurance measures thus far introduced is as follows:

Senate Bill No. 25—Amending the liability reserve law so as to increase from 40 to 50 per cent. the minimum reserve required. The bill is now in the Senate Committee on Insurance.

Senate Bill No. 174—A fraternal bill embodying most of the features of the National Fraternal Congress measure. It is now in the Senate Insurance Committee.

Senate Bill No. 192—Prohibiting the insurance of lives of persons under fifteen years of age. It is now in the Senate Insurance Committee.

Senate Bill No. 214 has been introduced, increasing from 2 to 3 per cent. on gross Michigan premiums, the tax to be paid by life companies of other States, and from 2 to 4 per cent. the tax to be paid by life companies of foreign countries.

House Bill No. 267, amending the stock fire investment law so as to substitute "net" debt for "gross" debt in referring to municipal bonds in which companies may invest, has passed the House.

House Bill No. 268, providing that stock fire companies may insure against lightning, wind and water, issuing separate policies to cover such, which simply seeks to legalize the prevailing practices as to sprinkler leakage, tornado and lightning insurance, has been reported favorably by the House Committee on Insurance.

House Bill No. 351, eliminating the arbitration clause from the Michigan standard fire policy, is now in the House Committee on Insurance.

House Bill No. 360, requiring the use of the New York mortgage clause in connection with all fire insurance policies covering mortgaged real or personal property, is in the House Committee on Insurance. No bills of general importance have thus far been acted upon by committees of either legislative body.

Minnesota.

ST. PAUL, Minn., March 10.—Mr. Peterson has introduced House Bill No. 513, to prevent pooling by fire insurance companies and organizations for a uniform rate.

ST. PAUL, Minn., March 14.—Mr. Rosenthal today introduced in the House House Bill No. 584, which is a copy of the Ohio fire marshal law.

Senate Bill No. 324, by Mr. Horton, amends Section 97, Chapter 175, of the laws of 1895, as amended by Section 4, Chapter 234, 1899, in relation to deposits by insurance companies.

Missouri.

JEFFERSON CITY, Mo., March 11.—The House has killed House Bill No. 583, by Mr. Keeney, creating the office of State fire marshal.

JEFFERSON CITY, Mo., March 17.—The Senate has passed House Bill No. 546, removing the 2 per cent. tax on reinsurance business. It now goes to the Governor for signature.

Nebraska.

LINCOLN, Neb., March 13.—House Bill No. 342, introduced by J. H. McClay, regulates the investments of local companies.

House Bill No. 406, introduced by Mr. Muxen, is as follows:

Sec. 1. That Section 3 of an act entitled "An act defining the liability of fire insurance companies in certain cases," passed by the Legislature of Nebraska, and approved March 4, 1889, be and the same is hereby repealed.

The section to be repealed is that which applies the valued policy law to all new policies and renewals. Its repeal would kill the effect of the valued policy law.

House Bill No. 330, introduced by Mr. Voter, is for the appointment of three suitable persons who shall act as a commission to revise the insurance laws of the State. In case of the absence or disability of any one of the members of said commission, the Governor shall fill the vacancy by appointment. Immediately upon the appointment the members of said commission shall meet at the capitol and forthwith proceed with their work in the revision of the said insurance laws. They shall, by January 1, 1907, complete the duties assigned them, make a report to the Governor of what they have done, what changes have been made, and what amendments and further legislation they deem necessary.

New Hampshire.

CONCORD, N. H., March 13.—Following is the text of House Bill No. 409, which has passed both houses of the Legislature and received the Governor's signature, and is thereby enacted:

Sec. 1. That Section 14 of Chapter 169 of the Public Statutes be amended by inserting after the words "licensed resident agents" the words "or in companies organized under the laws of this State," so that when amended the section will read: "Sec. 14. Every such fire, marine, fidelity and casualty insurance company shall pay to the State Treasurer, within one month after receiving notice from the Insurance Commissioner of the amount thereof, a tax of 2 per cent. upon the gross premiums received by it, less return premiums and reinsurance, when effected in authorized companies by the companies' licensed resident agents or in companies organized under the laws of this State, upon business done within the State, during the year ending on the 31st day of the preceding December, as assessed by the commissioner; and all other such insurance companies shall pay to the State Treasurer, within one month after receiving notice from the Insurance Commissioner of the amount thereof, a tax of 1 per cent. upon the premiums received by them upon business done within the State during the year ending on the 31st day of the preceding December, as assessed by the commissioner."

House Bill No. 363, by the Insurance Committee, was also enacted as follows:

An act in addition to Chapter 169 of the Public Statutes relating to agents of foreign insurance companies.

Sec. 1. The Insurance Commissioner may license suitable persons as insurance brokers to place fire insurance risks with the agents of licensed foreign insurance companies on the payment of a fee of $10, said license to expire on the first day of April next after its issue. Any agent of such foreign insurance companies whose license fees as such agent amount to $10 may transact the business of broker without additional payment; any such agent whose license fees so paid are less than $10 may be so licensed on payment of such sum as with the fees already paid will amount to $10.

Sec. 2. Companies issuing policies through their agents on applications from brokers shall be charged with the broker's knowledge of facts to the same extent as if he were their agent.

Sec. 3. No license fee shall be required for salaried office clerks or bookkeepers of agents of foreign insurance companies.

No insurance acts of general interest except the above were enacted. The Legislature has adjourned.

New Mexico.

SANTA FE, N. M., March 10.—Governor Otero today signed House Bill No. 150, by Mr. Williams, amending the insurance act so as to prevent its being retroactive or affecting policies that were written before its passage.

New York.

ALBANY, N. Y., March 10.—The Senate Committee on Taxation has introduced with a favorable report the House committee bill taxing gross premiums of life and fire insurance companies. The Democrats wanted it referred back to the committee for hearing, but failed to accomplish that purpose.

Senator Marks introduced a bill following along the lines of his recent resolution proposing an inquiry into the disposition of the surplus funds of life insurance companies. It provides that an action may be maintained against a life insurance company by a policyholder if the company fails to report in its annual statement filed with the Superintendent of Insurance how its unassigned funds or surplus has been invested or used during the preceding year, income derived therefrom, and the amount of forfeitures and undivided surplus on lapsed or terminated policies.

ALBANY, N. Y., March 13.—At tonight's session Senator Brackett moved to have the Insurance Committee discharged from further consideration of his Senate Bill No. 286, to compel life insurance companies to embody all agreements of the life insurance contract in policies. He declared that the bill had once been reported out of committee, but had been referred back on the plea that certain important interests wanted to be heard. He said that at the time for hearing no one appeared before committee.

He intimated that a large proportion of Senators were under some strange "hypnotic influence" which led them to favor insurance companies in an amazing manner. The motion to discharge the committee was defeated by a vote of 12 to 28. The bill, when recommitted, was on third reading and was sent back, retaining its place on the calendar.

ALBANY, N. Y., March 14.—Mr. Leggett today introduced House Bill No. 1091, affecting the Equitable Life Assurance Society. It amends Section 216 and provides that at stated meetings for the election of officers, managers, etc., of the company, every person entitled to vote shall be allowed one vote, which may be cast either in person or by proxy.

ALBANY, N. Y., March 14.—On the motion of Mr. Lewis the House today recommitted for amendment two of his bills—No. 634, relative to the amendment of charters of domestic insurance corporations, and No. 635, prohibiting the formation of life and casualty insurance corporations on the co-operative or assessment plan after June 1, 1905. The purpose of the amendment is to make the bills conform with Senator Ambler's bills, Nos. 329 and 303.

ALBANY, N. Y., March 17.—The one significant development in insurance matters during this week's legislative session was the expressed determination of the Republican majority in both Senate and House to make the insurance premium tax bill a party measure. This action, of course, insures the passage of the measure by the Legislature, and foreshadows the enactment of the bill into a law at an early date.

No announcement has yet been made of any date for a hearing on the Equitable mutualization bill of Mr. Leggett (House Bill No. 1091), just introduced in the Legislature. It is thought probable that such a hearing will be arranged for possibly next week.

The really important insurance bills before the Legislature are having a slow time making progress. This is particularly true of two of the State Insurance Department bills—one relating to amendments to charters of domestic insurance companies and the other prohibiting the formation of life and casualty corporations on the co-operative or assessment plan.

The Senate Insurance Committee today reported, with a slight amendment, Mr. Brackett's bill requiring all of the contract conditions to be included in life insurance policies.

ALBANY, N. Y., March 17.—The House Bill No. 634, by Mr. Lewis, relative to the amendment of the charters of domestic insurance corporations, which was recommitted to be conformed to Senator Ambler's Senate Bill No. 392, has been reported by the House Insurance Committee.

The House Insurance Committee has also reported Mr. Lewis' House Bill No. 635, to prohibit the formation of life and casualty insurance corporations on the co-operative or assessment plan, and also his House Bill No. 798, requiring Lloyds associations and individual underwriters to maintain a reserve fund equal to liabilities.

Oklahoma.

GUTHRIE, Okla. Ter., March 14.—The Senate has passed Mr. Threadgill's bill to require $50,000 deposit in cash or securities by surety and guaranty companies.

Wisconsin.

MADISON, Wis., March 15.—House Bill No. 696, introduced by the Committee on Finance, Banks and Insurance, adds to Section 1952, of the Wisconsin Statutes of 1898, the words: "Nothing in this section shall be construed to permit any such corporation to defer the distribution, apportionment or accounting of surplus to policyholders for a longer period than five years."

Miscellany.

The Invasion by the American Language Distresses the British Insurance Mind.

Our sprightly Manchester contemporary, *Business*, has the following observations on one phase of the American invasion in England, which apparently puzzles and worries our esteemed cousins:

In reading "Tit Bits From Business," writes an esteemed subscriber (Mr. G. Beckwith, Stroud Green, London), "I notice a good many American yarns, and would suggest that if they were Anglicized they would be more understandable, and more useful as powder and shot to stir up the British public to insure. When other journals lift a Yankee story they try to disguise it in English form as much as possible. Why do you not do the same, and alter the expressions that English people never use. Turn 'see here' into 'look here'; convert dollars into their equivalent value in pounds, 'hustle" into 'make haste' or 'look sharp.'

"The mode of procedure is strange to us in some of the anecdotes. British offices require a proposal as the first step, and then the medical examination follows. On payment of the first premium the proposer is given a receipt only. The policy is not ready for some days, or weeks after. To judge by some of the anecdotes referred to, one would think that a policy is given to a man when he pays his premium."

Mr. Beckwith's advice is sound in the main, but in the cases of stories many of the points would be lost if we translated them into current English. As a rule, we revise all American paragraphs and articles before inserting them in *Business*. For instance, "solicitor" becomes "agent"; "application" "proposal"; "turned down" "rejected"; and dollars are converted into pounds. The American insurance press is much superior to the British insurance press because it is better supported; it displays more independence, and is more fruitful in ideas; but the style is often slangy, and there is an absence of literary finish to which we are accustomed in England. Apparently, everything is done at express speed in New York, both in the offices of companies and of newspapers. We plead guilty ourselves to an occasional departure from orthodoxy, when a popular word or phrase ex-

presses our meaning better than a literary word. Objection is taken to *hustle,* and a suggestion made that we should substitute "make haste." The suggestion is weak. *Hustle* is a good old English word, and was used by Sir Walter Scott; moreover, it is *expressive.* No other word or phrase can take its place.

Not only in life assurance but in other trades the Yankee influence is felt. Thus, a Liverpool firm advertise that "big money can be made during the *fall* by agents." Evidently, that advertisement was drafted by one of the crowd of Yankee ad writers who have invaded London. True, "fall" is a good old English word, which was transplanted to America in the sixteenth century. Thus, Dryden wrote:

> What crowds of patients the town doctor kills,
> Or how, last *fall,* he raised the weekly bills.

In the twentieth century, however, *we* use the word *autumn* as the season when leaves fall from trees.

Again, a strong protest has been made against the introduction of "footwear," meaning boots and shoes. We have complained to the Meisenbach Company against the use of the word "cuts" in their catalogue. "We produce *cuts* that talk," they advertise. What they mean is, "We produce *blocks* that talk," that is, pictures reproduced by a chemical process. "I enclose my *check,*" writes a Canadian manager. What he means is *cheque,* as we understand a written order on a banker. In this connection we are sorry to notice that Messrs. Henty, bankers, of Worthing, have adopted the Yankee word *check.*

Perhaps the most inelegant word used in America is *gotten.* Thus, an American manager writes: "Many instances have come to my knowledge where agents never would have *gotten* an audience had it not been for the introduction from the friend to the friend." When that manager visited London for the first time, with his wife, he bought two tickets for the opera. Having business in the city, he wired to Mrs. Jonathan:

"I have *gotten* tickets for the opera tonight; meet me at Simpson's, in the Strand, at 8."

The telegraph operator, according to Brother Jonathan, was a jackass, for he punched out these words:

"I have *got ten* tickets for the opera tonight; meet me at Simpson's, in the Strand, at 8."

She did, but she was not alone. She had invited eight lady friends to accept her husband's hospitality. What that unhappy mortal said is not recorded; but we hope that "gotten" taught him a lesson in English. If an American wants to make himself understood in England he must speak the language of the people. It would be well, too, if American companies operating in the United Kingdom would revise their literature and official documents. Mistakes and misunderstandings constantly arise through ignorance of American terms and phrases. Thus a twenty year payment policy is understood by most people to mean an *endowment* policy; whereas it is a whole life policy paid for in twenty years. In the interests of the companies concerned we plead for accuracy of expression; for the use of plain English in all documents.

Economic Place of Life Insurance and Its Relation to Society.

Mr. F. C. Oviatt, editor of the Philadelphia *Intelligencer,* lectured before the Wharton School of Finance of the University of Pennsylvania on March 7 on the "Economic Place of Life Insurance and Its Relation to Society." After considering the foundation stone of life insurance, the value of human life and life in its associated forms of the family and the state, the lecturer said:

We now consider the means employed for protecting the value of the life. Life insurance companies furnish the means. They gather up the contributions of the many and disburse them as they are needed. Here we may come into contact with another phase of our question. Man, on the whole, will not save, except under pressure. A man has a certain income and the tendency is to spend that income as it comes along, trusting to the future to provide a continuance of it.

Some people save something for the future. They put their money into savings banks, building and loan associations, buy lands and houses. Such saving is purely voluntary, and if the man does not find it convenient to put $100 into a savings bank this month he is likely to say, "I will put in $200 next month," and the chances are that next month he will only put in $100. Life insurance requires the payment of the savings at stated intervals. The man comes to treat his life insurance premium somewhat as a man would treat the interest on a mortgage or a note. He knows when it falls due, and he is prepared to meet it. To sum it up in a word,

LIFE INSURANCE FORCES THRIFT.

This may be thought to be rather a strong word, but it seems as though the word encourages is not strong enough. Now the encouragement of thrift is recognized as an important factor in social and material economics. Its importance is urged over and over again by writers on political economy and sociology, as making for the well being of society. There is no line of business today which so patiently enforces the lesson of thrift as life insurance. Take the millions of policyholders of industrial life insurance companies with the agents calling for their weekly collections, take the millions of policyholders of level premium companies with premiums falling due annually, semi-annually and quarterly, all the most practical kind of thrift lessons, and it is almost impossible to measure the economic value of these collections to society. The collection of 10 cents a week or $50 a year, or $200 a year, or $500 a year, from individuals, does not seem to be a great deal when standing by itself, but when it is aggregated the sum almost staggers us by its immensity.

All this vast sum of money is savings. Economically, it is the act of the individual making provision for the responsibilities which he has created. It differs only in form from the obligations which a man assumes when he purchases property and gives a mortgage to secure future payments. In the case of the mortgage he has the money in hand, pays interest on it and at a future date pays the principal. In life insurance, on the other hand, he pays the interest as he goes along, and upon the happening of a certain contingency, he or a certain persons or persons whom he designates receive the principal. Either form of treatment is a method of saving, a method of increasing the accumulated wealth of the country. The main thing is that out of the earnings of the producer a certain amount is set aside for future use.

There is an old proverb that money saved is money earned. It is not what passes through a man's hands, but what he holds on to that gives him a competency. The holding on is difficult, and any device which helps a man to hold on to his earnings and turn them into earning capital makes for the prosperity of the country and the strengthening of its economic power. Nothing so far has been devised which enables so large a proportion of persons to save under such easy conditions as life insurance; hence its high rank in economic life.

HOW LARGE A PORTION OF MAN'S INCOME SHOULD HE INVEST IN LIFE INSURANCE?

This is a practical question. Every man must judge according to his opportunities and obligations. A broad, general rule may be given which will help to keep a man up to the mark of his obligation. A man's life insurance should be large enough when invested at the current rate of interest to produce an income half as large as he earned in his lifetime. This is minimum, not maximum. To illustrate: A man is earning $1,200 a year. The bread winner of a family is responsible directly for the expenditure of a large portion of his income. Estimates of this expenditure run from one-third to one-half of the income. Take the larger proportion and illustrate with an income of $1,200 a year. On the half basis there should be at least a continuation to the family of $600 of the annual income. To provide this will require at the normal rate of 4 per cent. the sum of $15,000; that is, the man to secure this income to his family should carry $15,000 of life insurance.

What will this cost? For the young man of twenty-one for whole life policies about $300 a year; for limited life policies or long term endowments about $450 a year; and for renewable term policies in the neighborhood of $180 a year. Beginning at this period of life the amount can be gradually provided for so that when the income amounts to $1,200 the $15,000 will not be such a burden as if it had been taken all at once. As the income increases the amount can be increased. If the young man takes limited payment or endowment policies those taken at the first will become paid up or have matured by the time middle life is reached and he can begin to rest easy as to responsibilities which need caring for. It then becomes a case of provision made and premiums paid. Another phase of this part of the subject which is of high importance is

THE CONDITIONAL ELEMENT.

By this is not meant that the payments to the beneficiaries are conditional as a final fact, but that they are conditional in this, that the principal sum may be paid after one's year's interest has

been turned over and it may not be paid until twenty years' interest has been paid over. It is certain as regards payment and it evens up the chances of life by providing for a payment of the principal sum, no matter whether few or many payments have been made. It has this advantage over the purchase of property for which a mortgage is given. In the latter case the money must be paid either by the buyer or his heirs. In the former case it is all paid in the policyholder's lifetime, no matter how short his life may be after the first payment is made. While it would seem at first sight as though this were an injustice to the man who pays for a long period still life insurance is so balanced and the computations are made upon such a basis that the average is fair to all. The next point of view touches life insurance as

AN ECONOMIC FACTOR IN THE MATERIAL DEVELOPMENT OF THE COUNTRY.

In modern life accumulated capital is a great power. A hundred thousand, each possessed of $1,000 of capital, can only avail themselves of investments of the $1,000 class. This limitation cuts out many excellent investments from the individual possessed of small capital. He sees something which promises good returns upon the money, but the sum required is so large that his $1,000 is a negligible factor. The 100,000 men cannot be brought together at the time when this investment offers itself, so it has to be passed over to the man of large capital who is fitted for handling such investments. Everyone who has had small sums to invest has experienced this difficulty and has, no doubt, often asked himself how the small investor can be placed on a par with the large investor; has asked how the really choice investments which result from the development of the country can be placed to his hand in available shape.

This important economic function is admirably performed through the medium of life insurance. The company gathers $20 here and $50 there, $100 there and $1,000 in still another place. Soon a large volume of money is ready for investment. With $100,000, or $500,000, or $1,000,000, the company can go into the money markets and buy securities of the very highest class. The men who desire to borrow money for the development of business interests know that if their security is first class life insurance companies are ready to lend them money. By this means the man who has $50 to invest in a given year insures its earning the same rate of interest upon the same safe security as can be obtained by the man with $1,000,000 to invest.

It is hard to overestimate the value of this to the community. The investors know that the life insurance companies have money to invest and so they offer them the securities they have to sell. Opportunities that would never be offered the individual are offered the insurance company. No other medium for the investment of savings equals that of the life insurance company. There are, of course, other forms. Many persons patronize the savings banks. The savings bank, however, operates in a limited territory and is not open to persons in small and medium size communities. The life insurance company, however, offers the same advantage to the farmer as it does to the resident of the metropolis. The man who, after he has sold his grain, his potatoes, his live stock, has $100 to invest can do it just as satisfactorily as the man who does business in the heart of the financial district or a great city. Then again this man who lives in an out of the way place can time his life insurance investments so as to meet the time when his money is ready to invest.

He sells his property at about the same time every year and he can have his premium made payable at that time. If he is delayed a month or six weeks in receiving his money the insurance company is willing to extend his time of payment. The life insurance company is therefore peculiarly well fitted in dealing with all kinds of people in all sections of the country and under all circumstances. In a sentence, the company accommodates itself to the needs of its patrons. It is always ready to help a man save his money and secure its highest earning power. Another side of this power of accumulated capital is to be found in its

AID IN THE DEVELOPMENT OF BUSINESS.

The investments of a life insurance company are to be found in all parts of the country. They include all kinds of safe and profitable investments. The man who desires to borrow $1,000 on a first mortgage finds the company ready to do business with him. The man who plans the erection of an apartment house finds that when his plans are completed that the insurance company is ready to finance the investment, up to the limit of wise financiering. The country bank which has a larger capital than its citizens can purchase can sell its shares to the insurance company. The railroad company planning to improve its property can sell its bonds to the insurance company. The municipality bonding itself for park improvements, additional water supply and other municipal improvements, requiring the use of money for a long period of years, always expects a goodly amount of its bonds to find their way into the strong boxes of life insurance companies.

So the life insurance company brings together the different persons and corporations who need to borrow large sums of money and the great multitude of individuals who have small sums to loan upon terms that are satisfactory to both. Were it not for the life insurance company it would be difficult to collect these small sums and make them available for development purposes. There is scarcely a great enterprise which has not had the use of some of the money of the small investor by reason of the wonderful development of life insurance. Borrowers, like policyholders, are to be found all over the country. Perhaps the highest tribute which can be paid to the life insurance company as a financial factor in the business life is the care shown in its investments, the security which they require and the fractional percentage of money which is lost by the companies through lack of wisdom in the making of investments. Still another factor is

THE DISTRIBUTIONS OF THE LIFE INSURANCE COMPANY

to its policyholders and their beneficiaries. To the policyholders in the shape of dividends, maturing of limited payment policies and endowments. To the beneficiaries through the death claims which are being paid from day to day and from week to week.

A man has been paying premiums for a series of years on an endowment policy. In due time the policy matures. The face of the policy is paid to the policyholder and this money is thus placed in his hands for reinvestment for the advancement of his fortunes and the well being of the community. One has only to look over the list of payments as printed in the insurance press from time to time and their aggregates at the close of the year to see what a large sum of money is being sent back into circulation all the time through the payments of life insurance companies. Here is a town of 5,000 inhabitants. Perhaps in a given year the life insurance companies may pay in that town $50,000 on account of matured policies.

This at once becomes in a sense local capital, ready to build up the enterprises of the community. It has been gathered over a series of years, loaned out by the company at a satisfactory rate of interest, gone into the lines of going business to make them more efficient and now after it has completed its round of journey, it is sent back into the community from whence it came in an accumulative form. The fifties, the hundreds, the thousands which were paid as premiums would not have been of very great value apparently at the time they were collected. The community has not known where this money was invested, nor how it was doing its work. It comes back now, however, as a lump sum ready to renew its multiform duties or help development and prosperity. There is still another way in which the collecting of this money has helped the community.

THE MEN WHO SELL THE INSURANCE

receive a commission on the premium and this they spend in the place where it originated. It has given men employment, has supported their families as it was gathered. To be sure, this is only an incident of the business, but it serves to show how wide are the ramificationc of life insurance, how many persons it touches, how many it helps and how it makes for the progress of the entire social life.

Let us briefly recapitulate. Life insurance is based upon the value of the individual and the necessity for protecting that value. In its inception it is individual. It treats with individuals as individuals and also assembles them so that they can be considered as masses of individuals. From this starting point, which is purely social economic, a superstructure has been built up and is still building, which touches the entire life of the community in its social, economic, financial, material and ethical life. Wherever man's value is apparent there life insurance has its field. In the home, in the city, in the State, counting room, the factory, it stands ready to help man to more perfectly carry his responsibilities which he has created. As an economic force it reaches all departments of life. It reaches effectively where nothing else so far devised can reach successfully. It protects man's earning power and insures the continuity of that power whether man remains here or crosses to the other shore. It helps to lessen the army of unfortunate dependents upon the State, to lighten the ills of genteel poverty. It helps the young to get a decent foothold in the struggle of life. It is, in the realm of the individual, the fulcrum upon which to rest the lever of opportunity.

Life insurance is a combination. It is individualistic, it is accumulative, it is material, it is social, it is economic. Despite all its shortcomings, it is

THE GREATEST ECONOMIC FACTOR OF THE TWENTIETH CENTURY.

It is developing at a marvelous rate, but it has not as yet caught up with its opportunity. There is need for more insurance, more people need its helpful influence. It is the flower of the struggle of self for others. No man who can secure insurance, and has not taken it, has fulfilled his whole duty. The life insurance agent who comes to you, young man, and asks you to sign an application is rendering you a kindness. He is helping you to become a more perfect factor in the development of human society. He is enabling you to more perfectly fulfill you relations to your fellows and to your country. Take life insurance as soon at you can get it and it will be all the better for you if the taking of it involves sacrifice on your part, for it is by sacrifice that the world makes progress.

Alleged Frauds by a Philadelphia Insurance Company.

Allegations of attempted fraud were made in court at Philadelphia on Monday against the officers of the Philadelphia Fire insurance company. In support of an application for a receiver made by Attorney General Carson before Judges Ralston and Davis, R. E. Forster, actuary of the State Insurance Department, testified that several attempts had apparently been made to deceive him as to the value of the company's holdings. Notwithstanding an appeal for delay the judges forthwith appointed Wilson H. Brown receiver, under bonds of $40,000.

The Philadelphia Fire insurance company was formed about two years ago. Its president is James Stewart, Jr., its secretary J. G. Patton, and its offices are at 226 South Fourth street. The company is owner, nominally, of this property. Mr. Forster said yesterday that the property was disposed of something more than a year ago at sheriff's sale. The holder of a first mortgage of $10,000 bought it in at that figure to cover his mortgage, and then sold it to the fire insurance company. According to the actuary, the company's treasurer, Dr. James, bought it for a nominal consideration, subject to a mortgage of $10,000. Then Dr. James exchanged it for $50,000 of the company's capital stock. Mr. Forster had it appraised by a competent real estate broker, who fixed its value at $16,750. The company, however, placed it among its assets as worth $50,000.

Mr. Forster's attention was directed to the company's financial condition about three months ago by complaints made to him. He dropped in one day to examine its holdings. Two Bucks County mortgages, ostensibly recorded in Philadelphia, were first placed in his hands. The law says that mortgages shall be recorded in the counties where lie the properties on which they have been placed, and the recording of mortgages of Bucks County properties in the Philadelphia courts, an apparent evasion of the law, made him suspicious.

Mr. Forster then called for the company's other holdings. Several real estate mortgages were turned over. They looked all right; apparently had been recorded, for the usual indorsment was on the back of each. The signature to the indorsement had the general characteristics, Mr. Forster said, of Recorder Vare's signature, which is not very legible to unpracticed eyes, and might easily have deceived a careless reader. But the name on closer inspection the actuary found to be not Vare, but Patton. There was the stamp of a seal, too, just where the recorder stamps his seal on recorded mortgages. But Mr. Forster found an "ary" on this stamp. The seal was not the recorder's, but evidently a notary's.

Mr. Forster said the company's officer stated that the company had $27,000 in the Girard National Bank; $19,000 was found there. Of this, Mr. Forster said $14,000 had probably been received from a Chicago man for new stock, which the company's officers had announced was to be issued, but that had never appeared. This man came on from Chicago, when the new stock was not forthcoming, to make inquiries. He showed Mr. Forster a canceled check for $14,000.

Insurance companies incorporated in this State are not allowed to invest in mortgages in other States. But Commissioner Durham last fall found the Philadelphia Company had $40,000 worth of mortgages on real estate at Washington. When attention was called to this, the Washington mortgages were exchanged for Philadelphia mortgages. Mr. Forster says, although the law allows not more than 50 per cent. of the value of a property to be placed on it in mortgage, this company placed as high as 75 and 80 per cent.

Mr. Forster stated to the court that the accounts of the company were badly kept. There was no cash book, sometimes the only entry of cash received being made on cards.

Professor Osler Knocked Out Again—Brainy Children Are Offspring of Fathers Over Forty.

(*The New York World.*)

Mr. C. L. Redfield, a civil engineer of Chicago, has accurately figured out that a man isn't fit to be a father until he is past forty.

Savages marry savages in mere youth and other savages are born, explains Mr. Redfield in the Chicago *Tribune,* while David was the eleventh son of his father, and David's son Solomon was born when the psalmist was fifty-two years old. Moses was born 185 years after the birth of his great-grandfather, while the modern Moses—Abraham Lincoln—was the product of a grandmother and grandfather each the baby of their respective families, and of a father and a mother each the youngest child in their families. Benjamin Franklin's ancestors in the male line on the Franklin side were the youngest children for five generations back, while the father of Audubon was fifty-one years old at his boy's birth and himself was the twenty-first child in his own family.

Looking for the reckless, adventurous, dissipated, aggressive types of men he has found extreme youth in their parentage almost without exception, while the great thinkers and philosophers of the world have been born of parents who have reached mental maturity.

No man should be allowed to marry before he is twenty-five years old, and no woman until she is twenty years at least. If no person in the United States were allowed to marry before the age of twenty-five years two generations of such marriages would wipe out virtually all the poverty, crime and viciousness of the country.

When a parent, and especially a father, has passed fifty years old, he is at the maximum of his knowledge and experience. He is inclined to morality, philosophy and a greater tolerance of the world and its vagaries. He has time for thinking and for self analysis. Shall one doubt for a moment that a man becoming a parent at such a time in life reflects his acquired nature in the child?

The Bill in the New York Legislature to Tax Thrift.

(*The Brooklyn Eagle.*)

* * An effort will be made to enlighten the Committee on Taxation. It will be told that it is a fundamental principle of public economy and of public policy that life insurance—precautions taken for the protection of the family—should not be taxed. It will be told that such taxation is the imposition of a fine upon thrift, a punishment upon those who "have banded together to protect their dependents from penury when their protector shall have passed away." All of which is true enough.

Here is a statement of the case the committee will do well to consider:

When two men agree together that whenever one of them shall die the other will take care of his family, they practically form a mutual life insurance company. When 100,000 men make the same agreement, specifying the precise extent and manner in which the survivors shall take care of the families of those who die prematurely, the scale is larger, but the principle is the same. All the machinery of organization, collection of premiums, payment of excess earnings and of policies at maturity are but the necessary incidents in order that the general plan may be carried out safely, scientifically and effectually.

That is—or should be—the whole story of life insurance as told not only in this State, but everywhere else. And the story of taxation should correspond. Not a dollar more should be collected from the companies than will reimburse the State for what it costs to see to it that the interests of the policyholder are protected. It seems to have become the settled policy of many of the States that insurance shall pay as large as possible a part of the expense of government. For instance, it costs one Commonwealth about $5,000 a year to maintain its Insurance Department, which collects $100,000. Ultimately, of course, this money is paid by the policyholders, who are fined $95,000 for making provision for those who may survive them. It is all very well for the State to collect from those who deal in liquor. It is taxation run riot to impose a penalty on thrift. * *

Meanwhile, no greater atrocity can be perpetrated than that of

adding to the burdens of the policyholder. To the attention of the Committee on Taxation this is respectfully commended:

In England, where life insurance has flourished for many years and was in successful operation long before it attained any popularity in this country, all taxes on that portion of a man's income which is devoted to the payment of life insurance premiums in local companies is expressly waived. In this country the life insurance premium has become an easy mark for tax legislation.

Amendments to the insurance laws are in order. They should be so framed as to make the amount received from insurance companies square with the sum it costs to supervise them. For revenue the State should look elsewhere.

Saved by the Scissors.

BEFORE THE WEDDING RING.

Ian Maclaren (Dr. Watson), preaching on January 8, 1905, at Sefton Park, Liverpool, on "The Ideal of Health," declared:

"No young man is justified in marrying, with a clear conscience, who cannot obtain a first class life certificate from a really good insurance company."

Get a first class certificate from an established company of repute! Will the average young man take such advice? He is, in most cases, too busy finding and furnishing a cage for his bride to think about life insurance. And she is in too big a hurry to get the job over, and to start on the honeymoon.

"I have never loved anyone well enough to put myself in a noose for them," confessed George Eliot. The average girl of today will put herself in a noose for the first man that comes along, for fear that she might be shelved for all time. She doesn't think. It is the man who thinks, or, at least, ought to think about his responsibilities in marrying a woman. His first duty is, not to furnish a house, but to insure the protection of his wife. If he cannot secure insurance upon his life, he is not, as a rule, justified in marrying.

Interviewed upon this point, Dr. Watson spoke strongly of the evils resulting from the marriage of persons of unsound health. He said he did not mean that a delicate looking person should not marry, because many such people were constitutionally sound, and were quite entitled to marry provided they were in an insurance sense sound. People who were suffering from disease, or in whose families there was consumption, or epilepsy, or insanity, should hesitate before marrying, or should not marry at all. The reason he recommended a man to obtain the certificate of a good insurance company on a first class life was because in that way he underwent an unprejudiced examination, and if he came through that severe test successfully he would be justified in marrying, as far as his health was concerned. The marriage of people suffering from any disease brought misery in the home and trouble in the family life.—*Business, Manchester.*

"TACKLING" THE OBJECTOR.

Certainly, the life of an assurance agent, if it be not the most money making of avocations, is one of the most interesting to the man who takes it up in real earnest. For he who is not prepared to grapple with the difficulties which confront him will miss all the interesting points which appeal to his resolute confrère. Look at the variety of character, as evidenced by the variety of attitude toward assurance, with which he daily comes in contact. One would imagine, at the first blush, that, given a young married man in fairly good circumstances, the agent would experience no difficulty in persuading him to insure. Unfortunately, this consummation is by no means so easily reached. The benedict may not raise any objection to life assurance in the abstract; but, in nine cases out of ten, he is averse to making up his mind on the instant. The agent will often meet

THE MAN WHO POSTPONES.

His mind is so large, it would seem, that it takes a long time to "make up." He must consider the matter, which means, perhaps, that he must consult his wife. No objection to that, of course, if she is a sensible woman, as a wife sometimes is. But the delay may mean that he will consult a rival assurance agent. When this is suspected, the first application should be followed by a second in a day or two at furthest. Probably the agent will then, by patient watchfulness, be able to discover how the land lies, and if he is well posted on the subject will succeed in overcoming the difficulty.—*Business, Manchester.*

THE MAN WHO OBJECTS TO MEDICAL EXAMINATION.

There are offices which will dispense with such an examination; but the agent will be wise in discouraging this objection. It can be pointed out that the companies which dispense with the doctor do so only on certain conditions, the effect of which is to reduce the benefit under the policy for some years following its issue. The medical examination costs him nothing, and its effect is to secure for him immediate full benefit. Most of those who object to the ordeal are influenced by the fear that it may disclose certain vulnerable points in their anatomy, of which, for some reason, they prefer to remain ignorant. By judicious reasoning they may be convinced that the manly course is to brave the ordeal, and that it is really of advantage to any man to know what his weak points are, in order that he may adopt means for their protection.—*Business, Manchester.*

THE MAN WHO IS A BACHELOR AND INTENDS NEVER TO MARRY.

There was a time when this objection was held to have more weight than it can now pretend to. Even upon purely selfish grounds it is easily disposed of. No man who looks forward to old age will fail to appreciate the advantages of receiving a lump sum or an annuity within a specified period. Even if he be sufficiently well off not to need it, it will, at all events, add to his comfort at a time when comforts are most welcome. And it will be cheaply purchased by an endowment assurance in a good office.—*Business, Manchester.*

ANNUAL STATEMENTS.

Annual statements covering the experience of individual companies for 1904 are out in plenty, but we will have to wait the full detailed reports of State departments to find out just what that experience was. Increased assets and even of net surplus may mean fair results and may not, just as a decrease of these items may not, in fact, prove unhappy underwriting results.

The conventional anual statement does not tell very much, but is quite likely, on its face, to appear to show what good results have come from even a bad year. For comparative purposes, too, these company statements are not exactly safe, for some include all and actual the transactions for the full calendar year (as law requires), while others in aid of an early utterance cover from December 1 to December 1, or from other dates in December, or with estimates for last part of the year, etc., so that all are not for precisely the same period of time. For instance, last December was a month of fires, and statements which did not include the losses of that month escaped an important feature of the year's experience. Later on will come a crop of various sorts of tabulations of the year's underwriting record in which premiums received and losses paid will be the chief, if not the only items, leaving it to be supposed by laymen that the one less the other will give net results, whereas losses incurred, increase in unearned premiums and other liabilities, commissions, taxes and other expenses are not, perhaps, mentioned. The public and the average legislator are easily misled in their conception of underwriting profits and to the sorrow of the business.

In short, for a business which is so completely exhibited, item by item, to State insurance departments, there are a whole lot of foolish and misleading forms of figures which more than others reach the public.—*Glenn Falls Now and Then.*

THE MAN WHO CAN SAVE THE MONEY AND NEEDS NO AID FROM AN INSURANCE COMPANY.

There should be no difficulty in proving to this man that he is living in a fool's paradise. Personal saving is good, and savings banks are admirable institutions, but they cannot compete for a moment with life assurance offices. Even saving has its limits; it cannot exceed more than a limited sum in a year, and it will probably take many years to reach a really appreciable amount. If your friend is sure of living these years, well and good; but, of course, we know he cannot count even upon a single year. This is where life assurance holds a position which no other system can rival or even approach. It will guarantee to the assured an immediate benefit, whether death comes today or forty years hence. —*Business, Manchester.*

Life Insurance Business in New Jersey in 1904.

(Compiled from a Preliminary Report by the Commissioner of Insurance.)

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Paid.
Cos. of New Jersey.						
Colonial Life	765	$719,028	2,050	$2,022,168	$66,723	$14,724
Mutual Benefit	992	2,690,279	7,980	21,181,345	750,423	594,647
Prudential	10,311	12,288,569	37,825	46,748,481	1,377,795	351,175
Totals	12,068	$15,697,876	47,855	$69,951,994	$2,194,941	$960,546
Cos. of Other States and Countries.						
Ætna	340	$799,620	2,910	$6,410,469	$183,814	$132,503
Bankers, New York	87	146,959	573	1,625,079	54,160	16,000
Berkshire	66	193,965	620	1,925,115	51,584	7 326
Columbian Nat	170	883,750	203	1,113,250	20,624	.....
Connecticut Gen	43	193,822	71	258,727	9,759	.....
Connecticut Mut	140	412,880	897	2,822,970	59,425	21,006
Equitable, N. Y	2,570	10,683 410	14,393	47,589,699	1,712,469	708,932
Fidelity Mutual	336	847,486	1,351	2,654,183	80,296	11,830
Germania	62	139,348	432	1,012,802	33,959	22,576
Hartford	14	26,622	1,115	1,751,333	43,688	47,500
Home Life	147	499,408	739	2,223,334	55,665	19,995
John Hancock Mut	566	888.434	1,174	2,042,244	52.945	14,389
Life Asso. of Amer.	60	163,500	188	451,000	15,894	5,000
Manhattan Life	110	320,091	816	1,783,468	65,606	42,288
Massachusetts Mut.	248	874,791	1,586	5,509,866	151,673	59,285
Metropolitan	9,738	7,184,401	27,118	23,585,233	987,488	209,050
Michigan Mutual	147	129,386	370	490,702	15,838	1.100
Mutual Life, N. Y	777	1,728,991	10,519	21,766 249	702 610	432,515
Mutual Reserve	3,761	1,664,481	3,696	3,122,362	114.985	55,302
National, Vt	113	316,267	375	931,681	37,601	33 831
New England Mut.	65	257,195	410	1,595,851	55.158	11,184
New York Life	4,099	8,748,015	16,090	35,922,647	989,314	447,050
North American	.....	.....	1	1.000	96	.....
Northwestern Mut.	450	2,020,150	4,313	13,165,978	261,405	202,995
Pacific Mutual	21	74,088	118	234 264	8,870	2,134
Penn Mutual	387	1,713,679	1,599	4,660,919	159,546	74,702
Phœnix Mutual	126	238,384	857	1,468,994	38,875	15,640
Presbyterian Min's	72	101,000	164	220.000	2,740	.....
Provident L. and T.	376	918,433	5,175	13,036.215	483 367	66,591
Provid't Sav., N. Y	1,134	656.062	1,320	2,154.705	58,154	46,000
Reliance, Pa	9	13.000	9	13 000	733	.....
Security Mutual	79	143.723	300	635,192	18,851	1.200
Security T. and L.	105	177,977	456	824,025	32,692	37,616
State Life, Ind	11	40,000	46	175,000	7,588	.....
State Mutual	102	373,513	1,092	3,821,863	127,670	68,907
Sun, Canada	25	11,843	247	196,395	5,745	1 410
Travelers	115	250,834	742	1,792.478	55,668	37.108
Union Central	42	121,500	361	1,119.780	24,190	69,250
Union Mutual	64	173 044	497	1.153,268	35,098	9,053
United States	217	475 164	585	1,502.229	39 948	25,630
Washington	262	620,047	1,353	3,382,179	130,300	116 682
Totals	27,256	$45,225,263	104,881	$216,145,742	$6,986,091	$3,073,581
Grand Totals, 1904	39,324	$60,923,139	152,736	$286,097,736	$9,181,032	$4,034,127
" 1903	35,191	55.968,689	137,700	261,379,019	8,424.589	4 446,159
" 1902	35,981	50 980,351	125,965	242.155,477	7,770,808	3,900,013
" 1901	25,584	41,569,398	108 187	217,098.962	6,932.371	3,222,768
" 1900	24,707	46 75 ,202	96,210	202 7 6,0 9	6 674.162	2,811,875
" 1899	21,312	40,09 ,602	85.318	181,153,206	5 934,759	2,878.512
" 1898	19,463	33,971,302	72,758	161,107,561	5,015,893	1,871,598
" 1897	16,448	31,119,7 2	64,350	147,712,266	4,579,000	2,207,376
" 1896	12,730	26,092,914	58,150	137,208,105	4,198,994	2,061,423
" 1895	12,402	25,9 6,768	52,772	127,664,830	3,9 4,663	1,939,873
" 1894	11,448	25,400,146	47,020	116,093,219	3,555,534	2,018,325
" 1893	9, 94	22,27 ,853	42,538	107,332,875	3,327,980	1,693,555
" 1892	9,487	19,462,905	39,738	98,463,111	3,077,523	1,808,884
" 1891	6.574	17,585,571	36,608	95,364,693	2,909,680	1,737,889
" 1890	6,567	18,197,301	34,605	89,351,659	2,700,957	1,505,633
" 1889	5,918	17,591,087	3 ,512	82,219,872	2,474,626	1,427,511
" 1888	4,824	13,736,696	27,696	71,383,506	2,202 941	1,506,705
" 1887	4,323	11,443,3 4	25,688	65,423,769	1,999,8 2	1,206,337
" 1886	4,319	10.583,910	23,448	59,528,479	1,750,092	1,039,486
" 1885	5,866	6,113,890	24,209	53.990,468	1,581,994	1,199,926
" 1884	4,181	7,359,850	21,696	51,710,888	1,11 ,502	1,186,420
" 1883	2,830	7,984,183	19,665	49,378,755	1,000,455	782.028
" 1882	2,384	6,242,007	18,921	45,419,209	972,025	988,012
INDUSTRIAL INSURANCE BUSINESS IN 1904.						
Colonial, Jersey C	29,831	$3,577,579	51,197	$5,948,183	$222,112	$59,450
Columbian Nat	1,724	232,740	968	131,322	1,907	140
Germania	.....	.....	178	20,859	1,035	1,227
John Hancock Mut.	24,427	4,304,506	71,903	12,037,307	431,136	163,680
Metropolitan	101,1 9	16,192,241	625,580	85,711,224	2,850,276	1,036,858
Prudential	146,644	18,954,620	846,365	95,695,924	3,931,870	1,368,810
Total, 1904	303,975	$43,261,686	1596191	$199,544,819	$7,438,337	$2,630,164
" 1903	288,418	40,963,607	1509498	187,131,612	6,938,905	2,366,073
" 1902	291,066	40,262,378	1429684	175,411,071	6,298,564	2,099,518
" 1901	297,550	40,450.938	342767	160.895,499	5,895,46	2,049,022
" 1900	316,186	42.272,123	1268360	152,132,848	5,475.488	1,991,627
" 1899	304,143	39,630,433	1130937	138,867,330	5,097,719	1,744,709
" 1898	246,069	32,095,624	1061496	126,327,694	4,797,992	1,660,820
" 1897	293,578	41,064,101	1007905	121,260,702	4,527,330	1,434,004
" 1896	268,970	34,022,248	958,866	111,725,100	4,666,961	1,547,956
" 1895	299,250	36,720,996	930,598	107,100,813	4,332,976	1,498,997
" 1894	437,421	53,102,955	928,426	106,323,329	4,230,993	1,357,298
" 1893	302,603	37,387,393	841,472	95,381,659	3,819,343	1,285,626

Life Insurance Business in New Hampshire in 1904.

(Compiled from a Preliminary Report by the Insurance Commissioner.)

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Premiums Received.	Losses Paid.
Ætna	74	$106,083	$58,903	$25,357
Columbia Nat	196	320,500	*15,866	2.752
Connecticut Gen	202	226,506	46,754	10,500
Connecticut Mut	51	61,824	41,551	19,931
Equitable	306	528,190	98,821	27,490
Fidelity Mut	46	53.000	1.894	.....
John Hancock Mut	13	34,000	3,685	.....
Manhattan	11	28,597	4,723	6,300
Nassachusetts Mut	113	164,162	131,094	76,583
Metropolitan	1,406	853,894	*416,517	29,448
Mutual Benefit	140	175,770	41,898	10,074
Mutual Life	743	842,142	365.561	194,357
National Life, Vermont	543	643,608	198 072	38.147
New England Mut	48	77,563	9.975	51.000
New York Life	556	755.424	184.108	37,419
Northwestern Mut	101	183,500	95 240	37,745
Penn Mut	9	46,510	36.039	1,500
Phœnix Mut	65	78,763	29 916	17,702
Provident L and T	20	29,776	12,309	17,000
Provident Savings	131	70,772	13,728	7.000
Prudential	638	573,363	58,199	2,610
Reliance	5	4,500	190	.....
Security Mut	14	31,065	3,532	1,000
State Mut	85	130,430	35,191	18,695
State Security	76	45,250	2,881	.....
Travelers	103	131,690	34 484	9,183
Union Mut	97	96.534	52,889	22,170
United States	15	18,000	2.693	.....
Washington	97	150,680	12,534	12,000
Totals, 1904	$5,904	$6,462.095	$2,039.918	$665,962
" 1903	5,174	6,007,700	1,861,831	801,796
" 1902	4,827	5,981,689	1,467,639	920,043
" 1901	4,800	6,046,562	1,317,312	651,477
" 1900	7,449	6,449,726	1,160,586	621.465
" 1899	3,686	4,790 290	1,067,478	609.006
" 1898	2,964	3.867,335	956,310	881,879
" 1897	2,746	3,695,668	923.009	352,470
" 1896	2.326	3,327,652	865.353	377,843
" 1895	2,543	3,713,292	968,851	438,454

Industrial business in 1904—Metropolitan, policies issued number 10,549; amount, $2,181,386. Prudential, number, 3,098; amount, $425,009. Columbian National, number 4 1 6; amount $562,410.

*Includes industrial business.

Fire Insurance Business in New York in 1904.

(Compiled from a Report by the Superintendent of Insurance.)

COMPANIES.	Fire Premiums Received.	Fire Losses Paid.	Fire Losses Incurred.	Excess of Fire Premiums Received Over Fire Losses Incurred.	Risks Written. Fire.	Risks Written. Marine and Inland.
Joint Stock Cos. of New York.						
Agricultural	$340.231	$170.571	$166.911	$173.320	$39 590,700	.....
Albany	126 701	71.442	70 814	55 887	13.087,716	.....
Assurance	100.476	69.584	67 279	33.197	10.456.275	.....
B itish American	59.754	44 165	39,383	20.372	5 992.494	.....
Buffalo Commerc	66.120	30,588	28.856	37 264	8.018,777	.....
Buffalo German.	138.333	50 952	48.795	89,538	22.824 706	.....
Caled nian Amer	5,688	4.664	5,247	441	674 291	.....
Colonian Assur	113 622	74.717	75 089	38.533	10.429.187	.....
Commerce	70,492	39.463	36.514	33,978	9.341.309	.....
Com. Union Fire	52 611	29 402	29.332	23.279	6.085 397	.....
Commonwealth	108,576	50,885	50,783	57 793	15 798 855	.....
Continental	1,065,644	526 664	529 324	536 320	143,090,401	.....
Dutchess	196.30	126.759	123,839	72 466	17.292.813	.....
Empire City Fire	70 285	28,968	28,078	42 206	9.289.626	.....
German Alliance	142,259	79 446	78,354	63.906	17,725,308	.....
German Americ'n	1,254 977	638,208	591,282	663,695	207 188 100	.....
Ger mania Fire	527 641	198,206	200.455	327.186	82 630,072	.....
Glens Falls	255,17	116 737	120,324	134 852	34 061,355	.....
Globe & Rutgers	517.101	246,600	279 157	237 944	54 661,800	.....
Hamilton Fire	29 522	27,923	22.438	7,084	4.317.980	.....
Hanover Fire	885.327	519 704	506.509	378,819	114.600 045	.....
Ho e	1,986 806	1,402 621	1,279 163	707.643	291,639 946	$80,265,195
Indemnity Fire	26,852	13,334	10,842	16,010	2,569.723	.....
Liv. & Lon & Gl	116	120	120	.....	15 000	.....
Lumber	13 821	3.392	5 392	8.430	862.830	.....
Nassau Fire	124.996	53.871	5 ,914	65 082	14 692,881	.....
New York Fire	112,156	54,436	55,965	56,191	14,264,963	.....

COMPANIES.	Fire Premiums Received.	Fire Losses Paid.	Fire Losses Incurred.	Excess of Fire Premiums Received Over Fire Losses Incurred.	Risks Written. Fire.	Risks Written. Marine and Inland.
Niagara Fire.....	$579,672	$295,511	$272,543	$307 129	$69,022,830	.....
N. Brit. & Mercan.	67 849	14 911	19,377	48,471	11.140,745	.....
North German....	83 038	39,985	41 528	41 510	9 027.900	.....
Northern	135,561	58,517	54 324	81.238	15.017 496	.....
North River.....	341,361	147,377	162,735	178,627	42.529,609	.....
Pacific Fire.....	73.078	51,428	61 102	11,976	6,771 806	.....
Pelican Assur.....	73 593	38,203	36,847	36,745	8,983,944	.....
Peter Cooper Fire	11,816	24.413	24,413	.....	10,445,353	.....
Phenix.....	945 591	361,374	359,735	585,856	100,862,578	.....
Queen.....	326,261	153,393	169,996	156 265	45,054,936	.....
Rochester Germ'n	121,986	73,317	70.661	51,324	13,443,258	.....
Stuyvesant.....	86,474	59 139	65,442	21.032	6.894.622	.....
Union Fire.....	27,517	5,798	5.276	22,241	3,966.101	.....
Unit'd StatesFire.	101,681	51,452	59.967	41,715	17,293,744	.....
Victoria Fire.....	46,494	29,001	33.601	12,893	4,591.121	.....
Westchester Fire.	497,128	283,875	274,301	222.828	63.866,425	.....
W'msburgh City.	334 842	161.575	166,848	167,995	52,162,131	.....
Totals	12,245,534	$6,522,691	$6,388,851	$5,869,282	1,612,227,749	$80,265,195
Mutual Cos. of New York.						
Glen Cove.....	$23,605	$15,497	$15,497	$8,108	$9,749,131	.....
Harmonia Mut. F.	10,202	4,080	3,582	6,621	1,570,140	.....
Mutual Fire	8.567	5,775	3 275	5,292	1,325,426	.....
Richmond County	3,128	2,329	2,329	799	999,032	.....
Suffolk County...	7,815	5,044	5,044	2,771	4,027,803	.....
Totals.....	$53,317	$32,725	$29,727	$23,590	$17,671,532	.....
Joint Stock Cos. of Other States						
Ætna.....	$1,013,016	$429,698	$425.484	$587,532	$124,529,772	$65,102,400
Allemannia Pa..	98 395	49,2.4	49 781	48,614	10,695,004	.....
American, Mass..	68,594	63,198	59,820	8,774	7,357,416	.....
American N. J...	191,424	94.153	97,013	94.411	25,044,524	.....
American Centr'l	199,244	122,8.5	115,455	83 789	22.576 518	.....
American, Pa....	193 357	131,915	129,722	63.636	21,993,894	.....
Atlanta, Birming.	35 099	6,643	6,894	28 205	4,530.267	.....
Boston, Mass.....	228,269	121,406	112,773	115,495	27,938,246	42,228,854
Camden Fire, N.J.	142,732	82,008	83.737	58.995	3,451,367	.....
Capital Fire, N. H.	73,478	29,874	33,087	40 391	9,623 045	.....
Citizens, Mo.....	226,336	157,849	160 512	65,824	21,135,091	.....
Colonial, D. C....	19,026	10,354	10,522	8,504	2,151,588	.....
Columbia, N. J...	.....	.....	.....	.....	.....	4,073,977
Concordia, Wis...	107,916	52.692	50,195	57,721	10.348.737	.....
Connecticut.....	337,960	205,367	202 130	135.830	36,745,700	.....
Delaware, Pa.....	97.004	77,652	77.357	19 647	8 909.667	.....
Detroit F. & M ...	42,755	25,558	22,250	20,505	6,868,856	249,056
Eastern Fire.....	5,670	187	812	4,858	511,192	.....
Equitable, R. I...	98,121	96,478	93.834	4,287	12.560,416	.....
Fire Ass'n, Pa....	437,054	270,572	237,181	199.873	48.677,362	.....
Fire In Co., Phil.	54,291	32,704	30.120	24,171	6.635.214	.....
Firemen s Fund..	283,609	180,105	185,174	98,435	33,287,911	50,960,455
Firemen's.....	245,830	117.150	124,964	120.866	40.744,969	.....
Franklin Fire....	118 383	56.999	58 441	59.942	13 130,850	.....
Georgia Home ...	69 752	23,115	26,926	42.826	9,972,571	.....
German Americ'n	37,707	26.078	24 887	12 820	3.497,424	.....
German, Freep'rt	265,726	140 37	143,269	122.457	37.943.523	.....
German Fire, Pa.	90,383	63,457	61 521	28,863	9,182,061	.....
German Fire, Ill.	105,439	54 35.	51.246	54.193	13.170.585	.....
Girard F. & M....	64 241	30,103	29 691	34 549	12.513,310	.....
Granite State Fire	12,259	6,988	7,998	4,261	2.609.790	.....
Hartford Fire....	1,417,721	789.088	822,422	595 299	172.525,681	.....
Home F. & M.....	58,565	35,939	35 432	23,133	7.051,147	.....
Indiana olis Fire	32, 53	23,502	27,825	4,628	3.694,397	.....
Ins. Co. of N. Am.	466,368	271.574	287,811	178.557	78,760,801	118,811,329
In. Co. State of Pa	51,220	16.529	17,291	33,930	5,036 770	.....
Lumbermen's, Pa	39,329	25,511	28,278	11,050	4,418,832	.....
Mechan. & Trad..	59,463	34,581	31,017	28,445	6,621,660	.....
Mechanics, Pa....	59,219	43 453	39,480	19.739	5,295,804	.....
Mercantile, F.& M	42,819	32,524	38,887	3.932	4,076.843	.....
Michigan F. & M.	41,038	43,853	40,474	565	5.714.628	.....
Milwaukee, Wis..	36,651	22,174	21,572	15,079	3,956 674	.....
Milwaukee Mech.	98,019	49,767	50,010	48,009	10 413,161	.....
National, Pa.....	43,619	6,818	8,693	34,926	5,444,514	.....
National Fire.....	536,596	264,989	261,928	274,668	59,664,377	.....
Nat onal Union..	137,938	65,103	65,552	72,386	18,504,960	.....
Newark Fire.....	45,714	20,620	20,665	25.049	6,037,801	.....
New Hamphire..	270,709	162,954	144,853	125,856	36,422,807	.....
Northw. National	136,574	48,439	49,133	87,441	21,026,924	.....
Orient.....	136,965	61.218	53,208	83.757	25,111.521	.....
Pennsylvania Fire	394,791	219 005	210,537	184,254	45,550,000	.....
Phœnix.....	518,969	242,344	237,963	281,007	64,547,921	.....
Provid'nce-Wash.	283,476	140,708	138,605	144,871	31,634,269	49,649,587
Reliance	127,624	69.979	69,009	58,615	14,802,665	.....
St. Paul F. & M...	221,532	121,931	115,250	106,282	27,577.952	26,314,945
Security, Conn...	160,511	80,749	75,719	84.792	21,151,364	.....
Security Fire, Md	52,048	4,546	5,225	46,824	5,897,562	.....
Springfield F.&M.	445,489	256,493	251,429	194,059	46,579,967	.....
Sprin. Garden...	179,362	88,973	91,809	87 553	14,801,426	.....
Star Fire.....	67,763	20,318	29,673	38,090	3,989,248	.....
Teutonia, La.....	79,867	43,802	42,332	37,535	10,362.352	.....
Traders.....	135 298	98,073	13,699	121,599	14,501,071	.....
Union.....	53,884	35,577	27,919	25,965	6.523,893	.....
United Firemen's	84,813	53,080	54,478	30,334	10,272,734	.....
Virginia F. & M..	$78,097	$42,524	$55,899	$22,198	$9,403,653	.....
Virginia State....	62,502	36,594	36,372	26,130	5,591,919	.....
Western. Pa.....	82,215	81,775	79,901	2,314	10,938.601	.....
Western Underw.	82,19.	14,872	17,315	64,881	7,301,984	.....
Totals.....	11,784,491	$6,434,045	$6,310,465	$5,474,025	1,419,541,703	357,390,603
Mutual Cos. of Other States.						
Farmers, Pa.....	$63,164	$44,042	$38,043	$25,121	$6,876,738	.....
Foreign Cos.						
Aachen & Munich	$140,804	$73,751	$76,235	$64,579	$16,036,497	.....
Alliance.....	62,351	30,464	26,919	35,432	7,657,054	.....
Atlas, London....	200,823	96,193	110,376	90,446	34,555,199	.....
British America..	234,348	156,397	157,612	76,736	24,434,361	$12,313,866
Caledonian,.....	279,225	157,162	147,407	131,817	33,757,300	.....
Cologne Rein.....	267,654	148,910	163,692	103,962	32,701,523	.....
Commercial Un..	639,449	262,236	273,691	365,759	90,463,292	.....
Hamb'rg-Bremen	392,308	267,658	283,868	108,440	44,353,979	.....
In. Co. Sal'm'ndra	276,017	178,450	193,929	82,088	28,172,297	.....
Law Un. & Crown	101,314	67,601	83,182	18,132	11,234,508	.....
Liv. & Lon. & Gl.	1,515,808	967,291	941,498	574,311	202,644,340	.....
London As. Corp.	255,625	111,603	111,335	144,289	36,260,287	.....
Lon. & Lancashire	388,802	151,061	148,703	240,100	84,126,040	.....
Moscow.....	237,082	125,983	120,847	116,236	28,599,961	.....
Munich Reinsur..	691,665	544,993	533,907	157,758	74,010,313	.....
Netherlands Fire	34,081	18,733	18,669	15,412	3,359,314	.....
N. Brit. & Mercan	884,026	544,642	545,893	338,133	110,575,960	.....
Northern Ass'ce .	630,540	280,100	272,877	357,663	90,842 627	.....
Norwich Union...	291,470	169,158	168.212	123,258	42.602,419	.....
Palatine.....	164,480	77,717	78,884	85,596	20,227,284	.....
Phœnix Assur....	400,112	248,922	241,798	158,314	57,129,348	.....
Prussian Nation'l	81,187	64.350	62.331	18,856	13.106,903	.....
Rossia	102,608	22,717	28,235	74,373	10,236,717	.....
Royal.....	963,204	436,390	461,991	501,212	137,405,452	.....
Royal Exchange.	356,470	208,920	221,025	135 446	67,620,754	.....
Scottish Un. & N.	296,001	161,239	151.700	144,301	40,048,812	.....
Skandia.....	162,068	108.396	112,951	49,116	16.602.854	.....
Sun,.....	518,961	312,004	287.042	231,919	71 293.209	.....
Svea F. & L.....	77,373	58,190	55.271	22,102	7.294,982	.....
Transatlantic.....	31,996	14,113	14,851	17,145	3,437.394	.....
Union Assurance.	271,948	170 390	201 404	70,544	31,336,531	.....
Wes ern Assur...	409,494	241,841	238,116	171,378	44,149,231	28,128,334
Totals.....	11,359,294	$6,477,576	$6,534,451	$4,824,843	1,516,276,692	$40,442,200
Grand Totals, 1904	35,505,800	19,511,080	19,301,538	16,216,862	4,572,597,504	478,097,998
" 1903	33,952,589	15,412,621	19,234,969	17,717,637	4,370,774,882	506,623,127
" 1902	31,154,606	15,134,747	14,748 832	.....	4,303,760,976	505,180,523
" 1901	27.720,327	14,413,384	15,037,405	.....	4,083 280,152	537,655 903
" 1900	22,867.152	16.040 452	16,377,645	.....	3,591,009,332	529 907,299
" 1899	19,463,726	17,626.006	18,045,939	.....	4,492 217,362	583,733,060
" 1898	19,864.032	10.041.904	10,3 2.777	.....	3,830,299 868	539 231.482
" 1897	23 605,457	9,823,238	9,372,940	.....	3,625,451,110	07,118,954
" 1896	23.408,641	10.028,125	10,620,199	.....	3,295.556,843	417.878,711
" 1895	22 942.277	11.160 704	11,078,692	.....	1,138,939,171	402 336,651
" 1894	22 085,737	12 628,881	12,116,222	.....	3 058,083,506	406,455 373
" 1893	21 690.373	15.143 837	15 106,602	.....	3 206.866 344	375,029,570
" 1892	21.458.929	13 004 343	24 310 426	.....	3,554,408 821	441 487,668
" 1891	19,760.230	14.708 425	15,311,261	.....	3.673,468,845	392,099 505
" 1890	19.222 683	11,048,249	11,485,221	.....	3,469 029 302	328 721,223
" 1889	18,545,684	13,079,430	12,035,256	.....	3,155,643,732	318,446,315
" 1888	19,348,109	12,801,459	13,165,707	.....	3,257,286,542	346,289,063
" 1887	18.425,956	13,419 012	13,937,471	.....	3 366,173 649	424,807,019
" 1886	18,868,049	9.273,999	9.595.101	.....	3.154.454.992	531.737,199
" 1885	18,068.456	10.34 .844	9 904,909	.....	2,827,992,467	469,818.210
" 1884	17,570,660	9,692,060	10,028.112	.....	2.831 265,982	297,248.247
" 1883	17.290 511	9.485.634	9.716.382	.....	2,280.432 062	473 711,881
" 1882	16,524.671	10,393.653	9,937.265	.....	2.890.656.418	455.489,989
" 1881	14.653.712	8.721 884	9,608,088	.....	2,697,093,961	366,581,172
" 1880	14.216,546	7,792.949	7,800.072	.....	2 564,293,831	261 757.555
" 1879	13,501.288	9.413.981	9,781,342	.....	2,536,089 565	243 440,105
" 1878	14,110,740	5,093,832	6,051,643	.....	2,419,459.390	222,056,801
" 1877	15,523,552	7,328,560	7,762,193	.....	2 546,638.226	205,688,383

The percentage of losses paid to premiums received in the twenty-eight years embraced in the above table is 57.2. The percentage in 1904 was 54.7

COMMERCIAL UNION ASSURANCE CO.
LIMITED,
OF LONDON.
OFFICE:
Cor. Pine & William Sts., New York

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.

6,561 per day in number of Policies issued.

$1,426,700.50 per day in New Insurance Written.

$114,060.67 per day in Payments to Policyholders and addition to Reserve.

$73,326.81 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$64,270,818.12
Bonds and Mortgages,	33,094,145.00
Real Estate,	16,806,932.86
Cash,	7,323,372.74
Loans to Policyholders,	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.

Reinsurance Fund and Special Reserves,	$112,351,323.00
All other Liabilities,	907,772.25
Capital and Surplus,	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security, ... $277,290,466.48

Number of Policies in Force, . . . 8,029,905

Amount of Outstanding Insurance, . . $1,470,424,281.00

Amount of Insurance Issued in 1904, . . $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

	Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.	
1884—	$2,915,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00—	1884
1894—	18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00—	1894
1904—	55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00—	1904

In its Ordinary Department policies are issued for from $1,000 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

The Mutual Benefit

LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, President.

ASSETS (Market Values), Jan. 1, 1905,	$93,237,790.27
LIABILITIES,	85,918,227.30
SURPLUS,	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

National Life Insurance Co.

OF VERMONT.

Established in 1850. Operating in 42 States.

Joseph A. De Boer, President.	H. M. Cutler, Treasurer.
James T. Phelps, Vice President.	A. B. Bisbee, Medical Director.
James B. Estee, 2d Vice President.	C. E. Moulton, Actuary.
Osman D. Clark, Secretary.	F. A. Howland, Counsel.

This Company held January 1, 1905, and gained during the past decade:

ASSETS	$31,398,453.67	Gain, 184 Per Cent.
SURPLUS	3,458,075.90	Gain, 142 Per Cent.
INSURANCE	134,761,554.00	Gain, 107 Per Cent.

Sells the Best and Most Modern in Life, Term, Endowment and Annuity Insurance.

J. F. MAKLEY, General Manager, 149 Broadway, New York City.
A. H. GSELLER, Manager, 201-203 Lawyers Building, Newark, N. J.

THERE IS

Always a Good Opportunity for a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents

32 NASSAU STREET, NEW YORK CITY

BRITISH AMERICA ASSURANCE CO. INCORPORATED 1833.

FIRE AND MARINE. HEAD OFFICE—TORONTO, CANADA.

UNITED STATES BRANCH.

JANUARY 1, 1905.

Assets	$1,428,610.75
Liabilities	1,030,923.14
Net Surplus	$397,687 61

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.

AGENTS WANTED

BY

The Manhattan Life

OF NEW YORK

Exclusive Territory
Liberal Contracts

STRENGTH
SECURITY
SOLIDITY

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

A. G. McIlwaine, Jr., Manager.

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - - $200,000

STATEMENT, APRIL 1, 1904.

Bonds, Bank and other Stocks, Market Value	$290,326.50
Demand Loans with Collateral Security	34,500.00
Real Estate, unincumbered, owned by the Company	106,500.00
Premiums in course of collection, Interest due Company and Cash in Banks and Office	222,561.32
Total Assets	$653,887.82

LIABILITIES.

Reserve for Reinsurance and other Liabilities	$280,736.85
Reserve for Losses under Adjustment and not yet due	94,533.01
Surplus to Policyholders	278,617.96
	$653,887.82

Losses paid since organization, $18,616,821.42.

CHAS. S. HOLLINSHEAD, President.

E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

QUEEN

Ins. Co. of America.

NEW YORK.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.7

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$25,500,000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

PHENIX INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

The Union Central Life Ins. Co.

CINCINNATI, OHIO.

THE GREAT POLICYHOLDERS' COMPANY

Assets, January 1, 1904,	$38,795,143.78
Liabilities,	32,615,645.78
Gross Surplus,	6,179,498.00

No fluctuating securities—Largest Rate of Interest—Low Death Rate.
Large and increasing Dividends to Policyholders.
Desirable Contracts and Good Territory Open for Live Agents.
Address JOHN M. PATTISON, President.

For a DEFINITE PROMISE to PAY, well defined, no experiment and taking no chances that technical legal definitions of what constitutes an accident will be used to defeat claims, BUY YOUR INSURANCE in and SELL the policies of

"THE CENTRAL," of Pittsburg, Pa.

Its management will tell you in YES or NO answers what it covers and what it does not cover. AGENTS WANTED.

For particulars address **The Central Accident Insurance Co., Pittsburg Pa.**

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.

"SAFE AS A NATIONAL BANK NOTE"

The Inter-State Life

ASSURANCE COMPANY,

INDIANAPOLIS, IND.

CHARLES A. SUDLOW, President. F. P. DAVENPORT, Secretary

EASTERN DEPARTMENT: 621 Walnut Street, PHILADELPHIA.

H. E. ROBERTS, Second Vice-President.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office 50 and 52 Pine Street.

New York City.

STATEMENT JANUARY 1, 1904.

Assets	$1,734,353.51
Liabilities	992,722.08
Net Surplus in the United States	$741,631.43

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

Established 1782.

Phœnix Assurance Company, Ltd.,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.

Head Office for the United States, 47 Cedar St., N. Y.

A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.

A. D. IRVING, JR., Sec.

THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.

GEO. R. CALLIS, Sec'y and Treas.

ISIDOR RAYNER, General Counsel.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.

No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Sec'y.

Agencies in all the principal cities of the United States.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y

Telephone: 3894 John.

FORTY-FOURTH YEAR.

What is the use of saying "the best company," or "the strongest company," or "the largest company"? They all say these things.

We say simply

The Penn Mutual Life Insurance Co.

OF PHILADELPHIA. Organized 1847.

That tells the whole story

SAFETY FUND INSURANCE.

NIAGARA

Fire Insurance Company

OFFICE: 135 & 137 BROADWAY. OF NEW YORK.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488,98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

INCORPORATED 1799.

Providence Washington Insurance Company.

PROVIDENCE, R. I.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
NET SURPLUS	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.

The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men
The Grand Prize was awarded the Prudential at the St. Louis Exposition.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, MARCH 25, 1905. No. 12.

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All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

Entered at the New York, N. Y., Post Office as second class matter.

THE plan of mutualizing the Equitable Life which was announced last week received the unanimous approval of the directors at a very full meeting last Tuesday, and so far as the present administration is concerned this ends their differences. The terms of the amendment to the charter which was adopted, however, have not been made public, although the amendment is in the hands of the Superintendent of Insurance for approval, and we are yet to know how the "allied question of indemnification of stockholders" has been treated. Until Superintendent Hendricks takes action it cannot be said that everything has been settled. His approval of the plan will go a long way towards settling everything. As for the self constituted committees, of which there are new ones announced daily, their success would not be for the best interests of the company. It has grown great under the hands of those who have constituted its governing power and the transference of its control to the untried and unknown men who would be put in office by the self constituted representatives of scattered policyholders all over the round earth would mean the insecurity if not the ruin of the company.

THE annual anti-compact bill turned up in the New York Legislature this week, and is fathered this time by Senator Ambler, of Columbia County, who is old enough to know better. The bill is an exact copy of that introduced by Mr. Nye in the Assembly last year, and the same that has appeared four previous years in the Legislature, always to die in some dark corner of a committee room. Last year the Nye bill, through inadvertence, slipped into a committee of which the noisy Senator Brackett was chairman, and was, of course, reported, but it was recommitted to its tomb amid his wails. A critical examination of the bill shows that it contains no limitation to combinations fixing and maintaining rates for this State. It provides baldly that underwriters shall not combine at all for any rate making purpose, and is capable of being construed according to Arkansas legislative precedents. It is not thinkable that a New York court would read an extra-territorial meaning into it, but Senator Ambler, for the sake of consistency, should amend his bill before it finally expires in committee.

THE second campaign in the State of Maine for the abolition of arbitration in fire insurance disputes has met with ignominious defeat like the first one. The effort to pass the bill of the uniform laws commission was even more strenuous than before, and it not only was successful in the Senate, but the bill received the approval of the House Committee on Insurance. On coming up for passage last week in the latter body, however, it was indefinitely postponed by the decisive vote of 88 to 14. The bill was fought by the State Insurance Department and the insurance agents and advocated mainly by lawyers whose zeal gave color to the charge that the arbitration clause in the standard fire insurance policy has been a thorn in their sides, because it restrains and lessens litigation. The plea that the principle of the right of trial by jury is annulled by the arbitration clause has been urged by the National Commission for the Promotion of Uniform Laws in the United States in favor of their bill, and it is a rather remarkable circumstance that its plausibility has made so little impression on legislatures. Only one legislature, that of Florida, has passed the law, while it has failed in several. It is still on the calendars in Michigan and Pennsylvania. The contention of the insurance companies that the voluntary reference of differences between the insurer and the insured to arbitrators chosen by the two parties conduces to prompt settlements and saves expense is reasonable. Juries, as ordinarily composed, are notoriously unfair to corporations, their verdicts are not final and are followed by protracted litigation. This may be a good thing for the lawyers, but the litigants suffer. The Supreme Court of Maine, in 1903, affirmed the constitutionality of the arbitration clause in the Maine standard policy, and its position should convince the commissioners of the unwisdom of trying to force the adoption of their proposed law.

THE non-local fire insurance companies, with one exception, suspended business in Arkansas on Thursday, the excepted company remaining one day to secure a legal standing so as to bring suit to test the constitutionality of the anti-trust law. As the Attorney General has ruled that reinsurance in unauthorized companies is illegal Arkansas is now cut off from new insurance, except such as the few weak locals may supply or outside companies may be willing to sell over their own office counters. And because an underground business would weaken the position of the companies we believe there will be little of it. The underwriters have been cancelling and rewriting the risks for long terms of their most important customers in the State, thus protecting them for the present. Meanwhile there is nothing further to do but await the opinion of the Supreme Court on the validity of the extra-territorial feature of the law. In the litigation of 1899 suit was begun in the Circuit Court of Pulaski County immediately after the passage of the anti-compact law, on March 7. The local court sustained the demurrer of the companies April 27 and the Supreme Court dismissed the Attorney General's appeal May 27. At the same rate of speed now a decision would be obtained from the Supreme

Court in eighty days, say about June 10. Meanwhile speculation as to the motives of the legislators in passing and the public officials in enforcing the preposterous law excluding a company from Arkansas for making rates in Tokio for Manchuria is apparently the popular pastime in Little Rock. Governor Davis is accounted for on the theory that he is posing before the rural majority in the State as the champion "trust buster," to secure the next United States Senatorship. The Attorney General, who is understood to be opposed to the law, is making it odious by rigorous restrictions. But the Legislature? The Little Rock *Gazette* entertains an interesting hypothesis regarding the meek compliance of the co-ordinate branch of the Government with the demands of the Governor. It claims that the people's representatives cower under the apprehension that the Governor will denounce them on the stump as slaves of the trusts, if they do not pass his bills. The following extracts from one of Governor Davis' campaign speeches last spring are printed as a sample of what is in store for them if they ever backslide. Alluding to the defeat of his extra-territorial bill in the Senate in 1901 the Governor said:

> Notwithstanding the Democratic platform, notwithstanding the two campaigns that had been made, notwithstanding the verdict of the people, this Senatorial committee said they wanted to give the business men of Arkansas a chance to be heard as to the probable effect of the bill on the business interests of this state. * * Whom did they send for, my fellow citizens? Did they send for the farmer? Did they send for the laborer? Did they send for the manufacturer? Did they send for the mechanic? Did they send for the merchant? Did they send for that class of citizens who bare their breasts and their arms and their backs to the heat and burdens of the day? No; they sent for the insurance agents from Pine Bluff, from Helena and from Fort Smith. They sent for the high collared crowd—that crowd that wear collars so high that they can't see the sun except at high noon, looking over the top of their collars. * * Ah, gentlemen, you cannot be there at your State capitol when the Legislature is in session, you can't meet your Representative or your Senator in the lobby, in the cloakroom, on the street or in the saloon, and press upon him the interests of the plain people of the State; but the high collared crowd is there. * * And I sound you here and now this note of warning and alarm: See that your Representative, see that your Senator in the coming election is such a man as will carry out your interests faithfully; such a man that you don't have to sit up with at night to see that he does his duty. Do not let the disgraceful proceedings of the Legislature of 1903 be repeated in your State capitol as a blot and blight upon the fair escutcheon of our State.

An appeal to the plain people against the "dudes" wearing neckties and stiff collars is sure to enlist sympathy for the speaker, and when he identifies them with the insurance business no wonder the average Arkansas statesman shies at the underwriter and all his works. But what a burlesque it all is on popular government. The Russian mujiks couldn't be more stupid.

Facts and Opinions.

A Boston special dispatch states that A. W. Neale, chairman of the executive committee of the **National Association of Local Fire Insurance Agents,** announces that the next annual convention of the association will be held at Denver, Col., August 16 to 18. It will be the tenth annual meeting, and there will be special features. We also learn that in accordance with the vote passed at the recent meeting of the executive officers of the National Agents' Association at Pittsburgh the following "conference committee" has been selected; E. J. Tapping, Milwaukee; Charles P. Whitney, Chicago; George D. Markham, St. Louis; A. W. Neale, Cleveland; W. B. Flickinger, Erie, Pa.; President A. H. Robinson, of Louisville, and Secretary Henry H. Putnam, of Boston, members ex-officio. This committee is authorized to confer with companies or company organizations relative to matters of mutual interest. In all probability the first question taken up when such a conference occurs will be that of brokerage, especially as to protection against non-resident cut rate brokers.

The daily newspapers report that the latest **investigation scheme of Mr. William Travers Jerome** will be directed against the New York theatres. The District Attorney has said that according to data sent him by the New York Board of Fire Underwriters eighty playhouses in the city have been examined, fifty-eight of them in Manhattan and the Bronx. Of these fifty-eight, thirty-five were found to be not fireproof in construction and in eight the building walls did not meet with approval. In twenty-eight, the proscenium walls were not of approved construction; in thirty-one the fire doors at the openings in the proscenium walls; in thirty-one, the asbestos curtains; in thirty, the skylights; in thirty-five there were no automatic sprinklers, or where present they were not up to the requirements of the law; in forty-two, the dressing rooms; in thirty, the electricians' rooms; in thirty, the carpenter shops; in thirty-nine, the property rooms; in thirty-four, the standpipes and hose; in twenty-four, the watchmen's system and the fire alarms; in thirty-two, the fire axes, hooks and extinguishers, and in six, the electrical equipment. The rate for insurance as based on these reports, according to Mr. Jerome, is instructive. The new Lyceum Theatre was approved in all these respects when it was examined, on January 14, 1904, and the rate is $1 for each $100. The Lyric, in which there was general approval, was written at $1.15, and was examined on October 2, 1903. For Fields' Theatre, which was disapproved in many of these particulars, the rate is $2.47. The Madison Square Theatre was examined on January 31 last, and the rate is $3.60. For Mr. Hammerstein's Victoria Theatre, which was examined on March 26, 1903, and which was disapproved in many of these features, the rate is $5.20. The underwriters can only apply the adequate rates, Mr. Jerome. The actual deficiencies and violations are up to you. What are you going to do about it, or about the recent Brewer scandals?

According to schedule the agency **fire insurance companies withdrew from Arkansas** on Thursday, March 23. All went except one, the German Alliance of New York, which stayed over one day so as to have legal standing in order to bring suit to test the validity of the anti-trust law. There are a few small local companies, stock and mutual, in the State, and a company organized at Dallas, Tex., by Trezevant & Cochran, and named after them, was admitted this week, the purpose evidently being to write business for reinsurance in the retired companies. The Attorney General has promptly blocked any such game by ruling that all companies doing a reinsurance business are amenable to the terms of the anti-trust law and will be prosecuted accordingly. The Attorney General has likewise refused admission to mutual companies of other States or to agree to any compromise on fines for violation of the law, and has served notice that he will enforce the maximum fine of $5,000 per diem on all violators. It is understood that the National Board of Fire Underwriters will pay the expense of trying the constitutionality of the law before the local and supreme courts of the State, and its counsel will have charge of the case. The best lawyers here and in Little Rock express no doubt of the result. As a sample of the sentiment of the insurance companies which have withdrawn regarding the situation in Arkansas we print the

following circular sent by the Home of New York over the signature of Vice President Correa to the agents of the company in the former State:

On and after the 23d day of March, 1905, please discontinue writing business for this company. You will, of course, understand that this action is due to the enactment of the King-Logan anti-trust law, with which you are familiar and with which the company cannot comply. Please do not commit the company in any manner, or undertake any act which might be construed as one of agency subsequent to date named above, as it is our desire to retire from the State wholly and entirely and without further delay. Being thus forced to terminate the very friendly business relations extending over many years, we desire to express our appreciation of the consideration always shown this company by you and your patrons. We hope and expect that not many months will elapse before the courts will bring such relief as will enable us to resume business in Arkansas and renew our past pleasant relations. As the mails are always more or less uncertain we enclose this communication to you under registered cover.

The shocking **disaster at Brockton, Mass.,** where the explosion of a boiler of the Grover shoe factory hurled seventy people to their death, injured many others, and with the ensuing fire caused the destruction of the factory, a business block and several dwelling houses, will not be so heavy a burden insurance wise as it is distressing in its awful consequences to everyone with a fibre of humane feeling. The factory was a huge five story frame structure, and three-quarters of an hour after the bursting of the boiler, which was in an "ell," the great plant was leveled to the ground by fire. It had an equipment of Walworth sprinklers and heat alarms, and was written at 40 cents a year. The fire insurance involved aggregates $198,000, divided among thirteen companies in lines ranging from $5,000 to $25,000. There was also $10,000 liability insurance in the Employers' Liability and $10,000 steam boiler insurance in the Hartford Steam Boiler. All these lines will presumably be total losses. It is estimated that on the Bahlborg Block and dwelling houses burned the loss will be $30,000, with partial insurance. The boiler which caused the disaster had not been used for some time, and all sorts of theories are rife as to the cause of the explosion. It was last inspected in December by inspectors of the Hartford Steam Boiler. Under the Massachusetts law, which exempts boilers under the care of private insurance and inspection companies from State supervision, the State police was debarred from inspecting the boiler in the Grover factory. A bill was introduced in the Massachusetts Senate Wednesday, calling for the appointment of fifteen inspectors of steam boilers instead of ten, as at present, and to provide also for the inspection by the State Police Department of all stationary steam boilers, irrespective of the fact as to whether such boilers are insured or not.

At a meeting of the Monday Club of Brooklyn, held at the Central Bureau of Charities on March 20, the subject was **child insurance.** Frederick L. Hoffman, statistician of the Prudential insurance company, presented the matter in detail, with figures to show that three million families throughout the United States participated in this form of insurance, covering a period of thirty years. In the industrial classes he said that there are about 40 per cent. insured, while in the depraved classes only 7 per cent. take advantage of this form of insuring children's lives, and of this number the amount is insufficient to cover the cost of burial. Vice President Haley Fisk, of the Metropolitan Life insurance company, invited those present to ask questions touching on industrial insurance, which opened up an inquiry concerning the payment of policies through undertakers. This method, it is claimed, is an abuse on the holder of the policy that should be remedied, as undertakers are prone to fix their charges according to the amount of insurance. Mr. Fisk said this was the only thing left undone, and the company was at a loss as to the best method of overcoming it. All superintendents of his company, he said, were instructed to refuse to pay any claims assigned to undertakers, and he characterized the custom as an outrage, but was willing to adopt any feasible plan suggested, as it is known that the cost of burials is double what it should be under this method. He asked the society to try to arrange with certain undertakers to conduct funerals of the very poor for a stated price. In reply to a question as to the wisdom of the poor insuring their children, Mr. Fisk said that industrial insurance was not devised for that class and should be governed by circumstances. In his opinion the preference in placing policies should lie with the parents.

About two years ago George McCarthy, then a member of the **Boston insurance firm of John C. Paige & Co.,** was compelled to retire from that firm by the other partners by process of law. Mr. McCarthy considered this an infraction of his rights, and brought suit against the firm for $200,000 damages, which is still pending. That the fires of vengeance still burn in George's breast was shown by his most recent move, in suing William Gray and G. C. Holt, members of the firm, individually for $50,000 each on allegations of slander. In the bill against Mr. Gray there are thirteen counts, and in that against Mr. Holt only one. An idea of the nature of the charges may be obtained from the first count against Mr. Gray, in which the plaintiff alleges that the former, "intending to bring the plaintiff into public contempt and cause it to be believed he was unfit to be employed in the insurance business, on or about March 4, 1903, publicly, falsely and maliciously said to John M. Graham, president of the International Trust Company of Boston, that the plaintiff was a damned rascal, and had made copies of books and papers of the partnership and tried to sell them to other agents; that he could not be trusted; that he was out of the firm and could not get back, no matter what it cost; whereas in truth the plaintiff had not made copies of the books and papers of said partnership, and had not tried to sell them to other persons."

It will be recalled that Mr. **Ralph W. Breckenridge,** chairman of the standing committee on insurance of the American Bar Association, devoted some time last fall and winter to an investigation on behalf of his committee of insurance methods, and particularly of the need and possibility of **national supervision.** It is to be presumed that he will communicate his conclusions to the association at its next annual meeting. What they will be as to national supervision is foreshadowed in an article which he has contributed to the Omaha *Bee* of March 12. He regards it with decided favor and says:

Federal control of interstate insurance and of companies operating outside of the States of their creation is inevitable. Only through it is there hope of a substantial and permanent cheapening of the cost of insurance; only through it can the numerous "wildcats" be put out and kept out of existence. A Federal regulation requiring an accounting of the uses of the vast sums accumulated through the prudence, sacrifice and thrift of millions of policyholders will prevent improvident and improper investments and extravagant management; a uniform fire policy expressed in simple terms, to supersede the standard form now in common use, is practicable only if and when its terms are prescribed by Federal statute or regulation, based upon a clean cut and definite construction of the terms inserted, so that they shall mean the same in Nebraska as in Massachusetts. These are a few of the advantages to the public possible through Federal supervision of the business of insurance, and the resolution now pending before the Legislature commending that part of President Roosevelt's message dealing with this subject should be adopted without dissent.

An unexpected turn came in the recent changes in the Illinois offices of the **Maryland Casualty Company** when H. W. Overman, who retired with the announcement that he would

go into business in New York, formed the new firm of H. W. Overman & Co. and took the general agency for the Philadelphia Casualty Company for Illinois, outside of Cook County, and Indiana. Associated with Mr. Overman are W. C. Grigsby, who retires as business manager of *Rough Notes*, and O. J. Stephenson, formerly with the Maryland Casualty in Chicago. N. J. Bennett & Co. continue as Cook County managers of the plate glass department of the Philadelphia Casualty Company. The vice president and secretary of the latter company were in Chicago this week to decide whether it shall undertake liability insurance in Illinois as well as other lines. A lively contest is expected between the new firm of Overman & Co., representing the Philadelphia Casualty Company, and Davis & White, which succeeded it, for the expirations of the Maryland Casualty Company, the Overman firm having a complete list. The Philadelphia's credit insurance department in Illinois will not be disturbed, Jonas Hirsch remaining in charge as manager.

The president of the **National Association of Life Underwriters,** Mr. Dolph, suggests in a circular to secretaries of local associations that instead of forwarding information regarding the work of their association to the national secretary they communicate it directly to the weekly insurance papers. He says:

I have personally communicated with a number of them, and they tell me that they are not only willing but anxious to help us in our work. This plan will relieve Secretary Clark's office of much labor, and besides it has many other advantages. Every life insurance office, speaking generally, subscribes for one or more of the weekly insurance journals, regardless of whether the agents are members of the local association or not. If pretty full reports of the work of the local associations appear in the several journals our members, as well as outsiders, will be kept posted as to what is going on more fully than was possible by the original plan.

This newspaper will be glad, as a matter of course, to print everything of interest to the agents, and invites their communications as usual.

The recent raise in **rates at Schenectady,** N. Y., has led to the adoption of the following resolutions by the Business Men's Association:

Resolved, Whereas the local board of underwriters have notified your policyholders of an advance of rates to be established in the city of Schenectady, we, the directors of the Schenectady Business Men's Association, hereby protest against said increase and refuse to accept the advance rate as established by said board. We consider same unjust and unnecessary from your insurance losses in this city during the past five years. We also wish to remind you of your promise made to us of a reduction of rates providing we had a paid fire department. We have made such improvement by which we have one of the best fire departments in this State, and you now notify us of an advance.

Resolved, That if your board insists on said increase we, the Schenectady Business Men's Association, consisting of about 300 merchants, will cancel our policies at expiration and place same with non-board companies and establish in connection therewith a local mutual company whereby we may assume part of said risk.

Regarding the report that **Texas** fire insurance agents are promoting the bill in the Legislature for the State to establish a **rate making commission,** Secretary Putnam, of the National Association, says:

In 1902 a new rule was adopted by the National Association requiring State associations to submit proposed legislation to the committee on legislation of the National Association before the same was advocated before State legislatures. Twenty-seven State associations accepted the new rule, among them Texas. What action the National Association will take in view of the present situation in Texas is undecided; but in all probability the matter will be considered by the executive committee, as it is held to be most desirable for the State and national bodies to work in harmony and co-operation on all matters of legislation. The neglect of the Texas association to submit the law to the National Association's committee may have been due to lack of knowledge of the rule referred to on the part of the present officers of the Texas association.

The following **anti-rebate notice** has been issued by Commissioner Duncan, of Maryland:

Various complaints having been made to this department that the law relating to rebating of insurance premiums is being violated by insurance solicitors, I desire to give notice that every case reported to me will be thoroughly investigated, and if well founded will be immediately sent to the grand jury; and I especially give notice that the giving of a term premium will be regarded by me as rebating under the law.

The commissioner explains to the *Baltimore Underwriter* that what he means by term premiums is that he hears that certain companies issuing a term policy are giving it without cost to the assured. This he regards as rebating under the Maryland law. It is perfectly lawful to sell term insurance, but it is unlawful to give it away.

A **rush of companies to Indiana** has followed the action of the Legislature of that State in allowing greater freedom as to the character of securities deposited before doing business in that State. Applications for entry have been made by the following companies:

Eagle Fire, Empire City Fire, Fire Insurance Company of the County of Philadelphia, Lafayette of New York, Law Union and Crown, Nassau, North German, Reliance Marine of Liverpool, Security of Baltimore, Shawnee, Spring Garden, Union of Philadelphia, United Firemen's of Philadelphia, American Fidelity of Montpelier, Star of Louisville, Insurance Company of Illinois, Manufacturers Mutual of Van Wert, Ohio; Indemnity of New York, North River, General Accident of Scotland, General Accident of Philadelphia, New Amsterdam Casualty, Pennsylvania Casualty, Philadelphia Casualty, Michigan Health and Accident and Empire State Surety.

The efforts that have been made for some time to secure a **plate glass insurance compact in Chicago** resulted in a meeting of managers of companies, held March 20, at which all but two companies were represented. George W. Montgomery, of the Lloyds Plate Glass Company, was chairman and James I. Loeb, of the New York Plate Glass Company, secretary. All those present pledged themselves to join a compact provided all the companies came in, and it is understood that both the outsiders are willing to co-operate if unanimity can be secured, although they are not confident as to the success of the movement. The Philadelphia Casualty Company and the Casualty Company of America were the two unrepresented.

Suit has been brought in the Court of Common Pleas of Franklin County, at Columbus, Ohio, to enjoin the payment of **4 per cent. on omitted taxes,** amounting to $64,182.25, due from foreign insurance companies, under a recent decision of the Supreme Court of the United States, to County Auditor L. Ewing Jones, and to have the law allowing this fee declared unconstitutional. The law is declared to have been repealed by the acts of March 22, 1900, and May 10, 1902, and to be unconstitutional because it is not of a general nature, not being operative in Hamilton County. It is also claimed that under the law of May 10, 1902, the payment of 4 per cent. to Mr. Jones would be to double his compensation.

A Western contemporary boasts of its superiority as a gatherer of **insurance news,** and claims that no other papers spend half as much for news service as itself and another. It may be remarked, however, that a great deal that is published as news in some papers is of little or no value. It is a weariness beyond words to express to wade through columns of chaos in the effort to find an item of interest. In fact, very few subscribers do it. It is not quantity that is wanted, but all the

news of real interest concisely written. The popularity of the New York *Sun*, for example, is due to its appreciation of this truth.

Some of the non-union fire insurance companies are disposed to complain over the action of the Western Union in **extending graded commissions to the Indian Territory.** They hold that it was unnecessary, as only four or five non-union companies recently admitted to the Territory were paying excess commissions, and they believed these could have been reached in another way. The great bulk of the business was written on the 15 per cent. basis, and a non-union general agent, who has just been planting his company in the Territory, said that not a single agent asked him for graded commissions.

The three **handy pocket statistical compilations of the Spectator Company** of New York, the pocket register of accident insurance, the life insurance pocket index and the chart of casualty and other miscellaneous companies, issued for the year 1905, have come to hand. These guides are available for ready reference months before many of the labored reports of the various insurance departments are obtainable, and the figures and comparisons are invaluable to underwriters in these lines. Each of these publications may be obtained in manila covers for 25 cents a copy.

At the March meeting of the Insurance Library Association of Boston, which took place at the Exchange Club last evening, Vice President Bissell, of the Hartford Fire, gave a most interesting **discourse on fire insurance,** defining its place and uses in the business world, tracing its beginnings in England right after the great London fire of 1666, and its development there and in other European countries; also its first appearance in this country at Philadelphia in the eighteenth century, and its subsequent history here, and closed with a summary of its general results in America.

The **Belleville anti-trust cases** were argued before the Illinois Appellate Court last week, former Attorney General Hamlin, who began the litigation, appearing for the State. For the companies it was held that the agreement complained of was not against public policy and that the Attorney General had no interest. It was merely a complaint of the way in which the companies did their business, and it was shown that this method was best for the public and for the companies as well. A decision is not expected before next August.

One of the largest life insurance policies ever issued was written this week on the life of George Auger, a Welshman, by the Equitable Life Assurance Society. This Welshman may be said to live **one of the largest lives in existence,** for although his policy is only for $10,000, Auger is 8 feet 1 inch in height, and has the title of "Titan, the British Giant." It took a squad of examiners to go over his physique thoroughly, but they found him all there and in good shape and awarded him a contract. He was born in Cardiff, Wales, the native place (?) of the Cardiff giant of many years ago.

A **suit** for $50,000 damages **against the North American Life** Assurance Company of Canada has been begun by the heirs of the late C. O. Grothe, of Montreal. He died January 7 last and left an insurance policy for $5,000. The claim was contested on the ground that the policy was obtained under false pretenses, and the company obtained a judicial order for the removal of the body for an autopsy. After the body was removed but before the autopsy was held the court revoked the order and the damage suit is the sequence.

A **farsighted fire agent** of Dayton, Ohio, Mr. E. H. Coe, always keeps a fire extinguisher handy in his own home. On Friday night of last week he was sitting near a window in his house when a neighbor across the street raised a cry of "fire." A curtain had caught from a gas jet. Mr. Coe grabbed his fire extinguisher from a hook in the hall, ran across the street and put out the blaze before the neighbor could get a pitcher of water from the kitchen sink. "Every man his own fireman" is Mr. Coe's motto.

The executive council of Massachusetts on Wednesday confirmed the nomination of Charles W. Fletcher as **examiner of the Massachusetts Insurance Department.** Mr. Fletcher has been in the service of the Maine department for about fifteen years, most of the time as deputy commissioner, and his record for ability and integrity is of the highest. While the Maine department sustains a severe loss by his withdrawal, the Massachusetts department is to be congratulated sincerely on its acquisition.

The Ohio Supreme Court on Tuesday affirmed the **validity of the suicide clause** in an assessment assurance policy. The decision was given in the case of Perry P. Tisch, of Ashtabula County, against the Protective Home Circle, an assessment insurance society. Tisch had his wife's life insured for $1,000, and a short time thereafter she died by her own hand. The society refused to pay the policy, claiming that the suicide agreement was valid. The suicide clause has now been sustained by all the Ohio courts.

The **Ætna Indemnity Company** was this week strengthened in the local department by the appointment of Messrs. J. E. Naylor and W. S. MacKellar. Mr. Naylor comes to the company from the Queen and takes the position of counterman in the burglary department. Mr. MacKellar becomes manager of the local contract bonding department, and is well qualified for the place by his previous connections in the same line with the American Bonding Company and the National Surety Company.

As Commissioner Duncan is the Democratic candidate for a Baltimore judgeship, which is equivalent to election, there must be a **New Maryland insurance commissioner** shortly. The *Baltimore Underwriter* says of Mr. Duncan that "while only Insurance Commissioner for two months, he has given good promise of making a first class commissioner, and though a laudable ambition for anyone to have, we will regret to see Mr. Duncan leave the office to which he has recently been appointed."

The **Empire Casualty Company,** organized at Parkersburg, W. Va., with $150,000, has begun business under the management of L. J. Fristoe, former West Virginia State agent of the Ætna Life. The officers of the Empire are: O. Havener, president; John H. P. Smith, second vice president; Lee J. Fristoe, secretary; E. L. Davidson, treasurer; David F. Connolly, first vice president, and John B. Crawford, third vice president.

Through the assistance of the National Association of Local Fire Insurance Agents, the **local board of Charleston, S. C.,** has been able to secure an application for membership

from Robertson & Pinckney, local agents of the Phenix and Teutonia. This leaves but one non-board agent in Charleston, and the National Association, acting in co-operation with the agents and companies interested, hopes to be able to clear up the entire situation.

The **Guardian Life insurance company,** Philadelphia, has been incorporated with a capital of $100,000 and a surplus of $20,000, and will operate on a 3½ per cent. legal reserve basis in Pennsylvania, New Jersey, Delaware, Virginia, West Virginia and Ohio. Mr. E. L. Shelton, formerly with the Security Life and Annuity, is vice president and general manager of the new company.

The annual report of Auditor Carroll, of the **Iowa** Insurance department, shows the **fire premiums** received in 1904 to have been $6,830,193, and the **losses paid** $2,924,780. During the year the companies paid fees amounting to $50,369 and taxes amounting to $267,325. Auditor Carroll recommends the enactment of a statutory uniform policy and separate laws governing hail insurance, which are now covered by the general statutes.

The **Virginia Home of Richmond,** a surplus liner, will soon reorganize as the Insurance Company of the State of New Jersey, under the laws of that commonwealth, to continue writing excess lines only, with a capital of $100,000 and $15,000 surplus. The chief offices will be in New York city, and the officers will be G. H. Stone, Philadelphia, president; J. L. Hetherington, secretary, and Charles S. Atkinson, general agent.

The **Standard Life and Accident** insurance company of Detroit, Mich., has announced through Manager C. A. Timewell that an industrial department will soon be opened in this city which will write both personal accident and health insurance on the easy payment plan for the special benefit of wage earners. The branch will probably be located uptown. A manager for the new department has not yet been selected.

The **Milwaukee German Fire** insurance company has filed incorporation papers at Madison and will shortly do business in Wisconsin. Edward Schroeder is president and general manager, Edward A. Uhrig vice president, and Walter Schroeder secretary. The offices of the company will be located in the Plankinton Building. It is capitalized at $50,000 and has $10,000 cash surplus.

One George J. Kindell, of Denver, Col., having issued a circular charging the late Henry B. Hyde with numerous atrocities and publishing his picture between those of Jesse James and another outlaw, has been **arrested for criminal libel** at Denver on the suit of James H. Hyde, son of the libeled gentleman. The object of Kindell was obviously notoriety for advertising purposes.

A San Francisco inventor named John Connett has a **compressed air gun** or mortar which will throw a tube projectile filled with strong silken cord to the top of the tallest skyscraper. It is useful, he claims, as a life saving apparatus or an aid to firemen in handling hose lines. By means of the small strong cord larger lines can be pulled up for use as fire escapes or hauling hose.

An opinion this week by Attorney General Mullan, of Iowa, is to the effect that the **physicians' and surgeons' liability policies** of the Travelers insurance company of Hartford are not legal in that State. The company sought to write insurance against malpractice. The Attorney General figured out that the present laws of Iowa do not provide for the issuance of such insurance.

The **Mutual Life of Illinois** has re-elected its present officers, except that R. M. Wells, of the Wells & Nellegar Company, wholesale hardware dealers in Chicago, succeeds G. W. Caldwell, of Indiana, as vice president, it being desired to have a resident official. Carl T. Prime, who has been auditor of the company for some time, was elected assistant secretary.

The **Metropolitan Fire** insurance company of Chicago, Ill., will shortly double its capital stock to $200,000 and enter a number of other States. Its additional stock, 80 per cent. of which has been already taken, is selling at $125, which will add $25,000 to the surplus. It is expected that the company will be operating in New York and Pennsylvania by May 1.

The Empire State Surety Company of New York has been admitted to the **Surety Underwriters' Association of Chicago.** The latter organization has elected Mr. C. S. Crain, of the National Surety Company, as vice president, succeeding Mr. J. T. Bowen, whose resignation was made at the time of the recent withdrawal of his company from the association.

The recently convicted **Chicago wildcatters** are busy now in the Illinois House of Correction. Mr. Van Anden is a hospital orderly, Charles J. Russell is emphasizing his literary talents as librarian, and Dr. Jacobs is dispensing provisions in the storerooms of the institution. Thus the State directs in useful channels formerly misused abilities.

Suit against Commissioner Host has been begun by the National Casualty Life of Detroit to compel him to issue a license to it. The commissioner flatly refused to do so because the officers, being officers at the same time of the National Protective Society of Detroit, voted themselves $40,000 for transferring the latter to the former company.

Of **conditions in South Carolina** the *American Agency Bulletin* says:

"THE WEEKLY UNDERWRITER speaks with wonder of the fact that the South Carolina Legislature adjourned after a six weeks' session with no insurance bill of any kind introduced. The State association of agents had something to do with this result—not everything, but enough to justify its value as a factor in the situation of this kind.

The **Farmers Co-operative Live Stock Association** of Cedar Rapids, Ia., is doing business outside of the State although it is not permitted to do business in Iowa. It has failed to pay losses incurred under outside policies, and Auditor Carroll promises to enjoin it if the proper evidence is furnished the department.

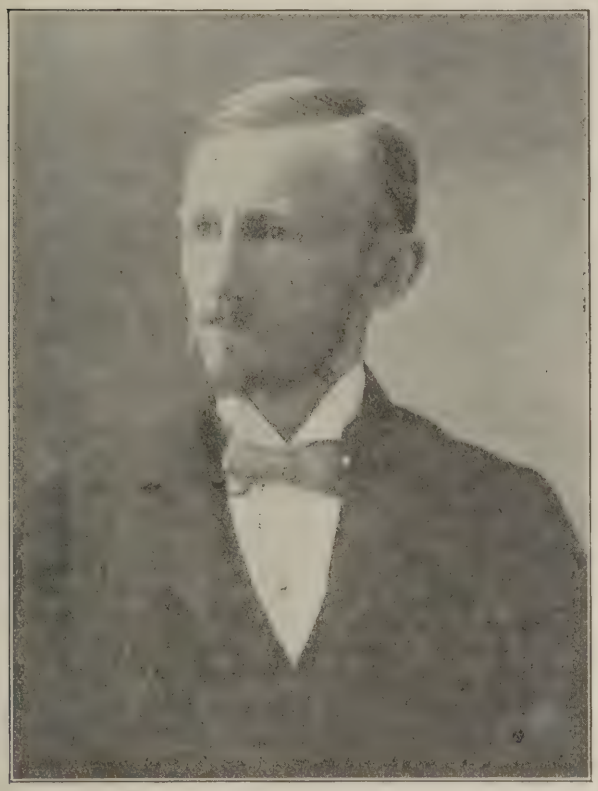
The **unselfish Lawson,** in a "screamer" to the policyholders of the Equitable Life Assurance Society, warns them against being gulled by "so called reform committees" and "wranglers" and to wait for his "sweeping movement which will right all the wrongs of the past and insure all policyholders their rights for all time."

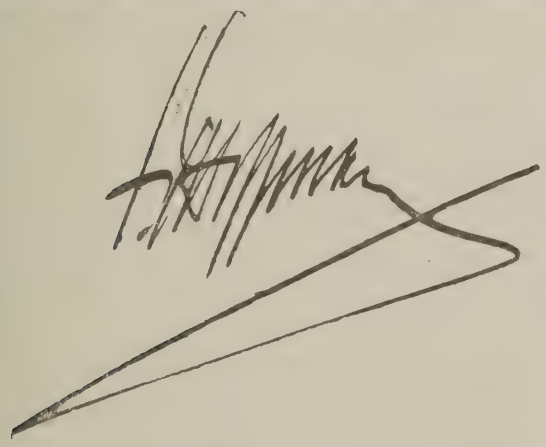
Des Moines is preparing to improve its **fire protection** so as to secure the removal of the conflagration charges

(*Continued on page 287.*)

INDUSTRIAL INSURANCE.

Frederick L. Hoffman, Statistician of the Prudential Insurance Company, Before the Wharton School of Finance of the University of Pennsylvania.





Industrial insurance is today the most widely diffused form of thrift in this and other English speaking countries. While at best and at most it is but a means of providing a relatively small sum of money for certain needs in the event of the death of the insured, its educational value as a method of emphasizing the utility of periodical savings and insurance is enormous, affecting as it does the life and well being of millions of wage earners and their families. Industrial insurance is today a social institution of great importance, not only to the individual, but equally to society and the state, as making slowly but surely for a higher standard of life and security against the uncertainties of the future.

ORIGIN OF INDUSTRIAL INSURANCE.

There are now more than 15,000,000 industrial policies in force in the United States and approximately 40,000,000 in the world. The annual premium payments to industrial companies amount to about $75,000,000, while the amount of insurance in force is over $2,000,000,000,000. This enormous business has been developed within less than thirty years, for the first American industrial company was only established in 1875 at Newark, N. J. The term "industrial" at once suggests the practical limitations of this form of insurance to the so called industrial element, or wage earning portion of the population of large cities. The term was first used by the "Industrial and General," which, as far as known, established industrial insurance in England in 1849. The business of this company was assumed by the Prudential Assurance Company of London, which in 1854 commenced the transaction of industrial insurance as it is now understood, and this company may rightfully claim the honor of having been the first to develop true workingmen's insurance on the weekly premium payment plan as a substitute for the insecure and often fraudulent insurance methods of burial clubs and friendly societies. Briefly stated, the essential principles of industrial insurance are:

INDUSTRIAL INSURANCE DEFINED.

First.—The premiums are payable weekly.

Second—The premiums are collected from the house of the insured by an agent of the company.

Third—The amounts of insurance are adjusted to the unit premium, instead of the premium being adjusted to the amount; that is, in industrial insurance certain amounts of insurance can be purchased for a premium of 5 cents per week or multiples thereof, while in ordinary insurance the amount is in round numbers and usually in multiples of $1,000.

Fourth—Every member of the family can be insured for a small premium, while in ordinary insurance, as a rule, only the head of the family is insured for a proportionately large amount.

It is of the utmost importance in all discussions of insurance problems that these fundamental distinctions which differentiate industrial from all other forms of life insurance should be kept in mind to avoid erroneous interpretations of facts and conditions affecting the business and the welfare of the policyholders. Industrial insurance, in brief, is but a modified form of ordinary level premium life insurance and nearly all industrial companies transact in addition to their industrial business an increasing amount of ordinary insurance, which requires premiums to be paid at least quarterly and direct to the office of the company. Monthly premium payment insurance is not industrial insurance, for, as stated, the first and all essential principle is that the premiums are paid weekly and collected by agents from the houses of the insured. Industrial fire insurance is also a rather misleading term, for even if paid for by weekly premiums, it is rather in the nature of the instalment principle applied to term insurance than industrial insurance as this term is generally understood.

CHIEF OBJECT OF INDUSTRIAL INSURANCE.

The chief object of industrial insurance is to provide a burial fund for every member of the wage earner's family. A death under modern conditions of life means invariably a considerable expense for a burial in accordance with what ancient and well established custom has fixed to be a decent regard for the dead. In addition, as a rule, a considerable expense for medical attendance during the last illness has been incurred, and for these two items an effective provision is rarely made by other means or methods than by insurance. The undertaker, as a rule, requires to be paid at once, even if the doctor can afford to be more lenient, and unless there is a definite guarantee the only alternative is a pauper burial or direct charitable aid from relatives and friends.

Under modern conditions, especially of city life, such personal mutual assistance is becoming increasingly difficult, if not impossible, and insurance alone stands more and more as the one certain barrier between honorable independence and the pauper's reliance upon public aid. Insurance alone makes it possible for all but the lower poor or pauper class to provide by periodical weekly payments, often as small as 5 cents, a sum sufficient to meet the cost of a modest burial in a grave in consecrated ground. The individual or the family is often not in a position to meet an unexpected demand for a sum of money which may range from $25 for the burial of a child to $100 for the burial of an adult. The increasing distance of cemeteries

from cities has led to a higher cost of funerals, which must either be met out of savings accumulated at great sacrifice and for some other purpose, or by incurring a debt, the payment of which must needs prove a serious hindrance to the progress of the family, especially in the event of the death of the breadwinner. Industrial insurance in consequence has become an almost universal custom among the wage earning or industrial population of this country.

THE INDUSTRIAL POLICY CONTRACT.

As time perfects all things, much progress has been made in improving the industrial policy contract since the first policy was issued on November 10, 1875. The policy of today conforms in all essentials to the contracts issued to ordinary policyholders and the provisions regarding surrender values, dividend privileges, etc., are liberal and sufficient to meet all needs in the event of the inability of the policyholders to pay the premiums, or for the reinstatement of a policy which may have been lapsed. Every industrial policy has a paid up insurance value after having been in force three years and after five years the policy is entitled to additional benefits, which increase the amount payable in the event of death. After fifteen years the policyholder is entitled to cash dividends and the policy has a cash surrender value after having been in force for twenty years.

POLICY PROVISIONS.

The industrial policy is incontestable after two years, there are no burdensome or needless restrictions, the policy is not voided in the event of suicide, death from consumption, death from intemperance, etc., but is just as plain and simple a contract as could be devised to fully protect the interests of both the insured and the company. Practically the sole requirement is that the insured at the time of making application for insurance shall tell the truth, especially in his declarations to the medical examiner. The public has learned to have absolute faith in the companies, the security of the contract is not questioned, the claims are paid promptly, and while fraud and deception occur, they are extremely rare. The massive structure of modern industrial insurance has been reared upon a foundation of security and equity which appeals to the masses, who, in ever increasing numbers, avail themselves of this simple but effective method of providing for certain needs of an uncertain future.

A BUSINESS OF VAST DETAIL.

The conduct of the business is one of vast detail, and it has been said with much truth that success depends primarily upon the proper attention to every detail of office and field administration. This principle has been carried to such a degree of relative perfection that it may safely be asserted without fear of contradiction that there are no better managed business concerns in the world than industrial insurance companies.

HOME, OFFICE AND FIELD.

The work of every life insurance company is broadly divided between the home office and the field. In the former the principle of the division of labor is carried into every department and sub-department to secure the highest possible degree of efficiency and the necessary development of expert skill to meet the constantly increasing demands of a rapidly growing business. In industrial insurance the office management is even more complex on account of the millions of necessary business transactions resulting from the weekly premium payments and the intimate relations that exist between the companies and their policyholders. The number of new applications for insurance received every week is enormous, but each case receives most careful medical and other consideration before a policy is issued. For a more comprehensive study of the internal arrangement of an insurance company, the student should consult an interesting paper on "Insurance As a Career," by Senator John F. Dryden, president of the Prudential Insurance Company of America. It was Mr. Dryden who, in 1875, organized the first industrial insurance company in the United States.

INDUSTRIAL AGENCY FORCE.

The field operations and management of an industrial company resemble a military organization. Almost the whole country is mapped out into districts which are in charge of qualified superintendents, who have secured their positions on merit after years of experience. The superintendent has under him assistants and agents who solicit for new business and collect the weekly premiums from the houses of the insured. The industrial field force is characterized by a high sense of honor and loyalty to its company, and after an agent has been employed for a few years it is rare that he leaves the service, but gradually advances to higher positions. The compensation of agents is on a commission basis, both upon the amount of premiums collected and the amount of new business written. This secures the highest possible degree of efficiency and thoroughness in developing the business in every direction. Agents are required to solicit not only for industrial but also for ordinary insurance, and a considerable proportion of their earnings is now derived from commissions paid upon ordinary business.

EDUCATIONAL VALUE OF INDUSTRIAL INSURANCE.

The educational value of industrial insurance is such that it requires but a comparatively few years to develop individual appreciation of ordinary insurance supplementary to the industrial policy. It must never be overlooked, as pointed out by David A. Wells, that in this country at least the capitalists of today are in a large number of cases but the workingmen of twenty-five years ago, just as the workingmen of today will be the capitalists of the future. The normal progress of our workingmen is so rapid that the earlier economic limitations or the ability to provide for but a small amount of insurance are soon improved and the vast ordinary business written by industrial agents has been the logical result.

INDUSTRIAL LAPSE RATE.

The agent is under careful supervision and every transaction is subject to check and counter check. He is held personally responsible for lapses, but every case reported for voluntary discontinuance is investigated by the assistant superintendent, and whatever is possible is done to keep the insurance in force. Most of the lapses in industrial insurance occur during the first six weeks of policy duration, when practically nothing has been paid by the insured, who, however, has had the benefit of the insurance during the time, and if death occurs during this period the claim would be paid without question. Premiums are allowed to be four weeks in arrears before the policy is cancelled. Lapsed policies can be reinstated without fine or penalty, and if the amount in arrears exceeds three months the companies will issue a lien which is deducted from the amount payable in the event of death. Lapses are a loss to the companies, largely on account of the high initial expense of obtaining the business, and a serious hindrance to the development of the business generally. The industrial lapse rate is gradually decreasing. A large amount of so called terminations, however, represent merely a bookkeeper's statement of insurance issued but not taken and not paid for in the majority of cases.

INTEGRITY OF FIELD FORCE.

The integrity and efficiency of the industrial agency force are remarkable. Losses resulting from error, defalcation and fraud form but a very small item, considering the vast extent of the business and the multiplicity of the transactions. In the experience of one large company the ratio of losses to premium income was only 82 cents in every $1,000. The tendency with large companies has been toward a further improvement, chiefly because of the fact that the agency force is becoming more stable and permanently allied to the interests of the company and its policyholders.

THE COST OF INSURANCE AT RETAIL.

We may properly speak of industrial insurance as insurance at retail, and just as retail prices are higher than wholesale prices so industrial premium charges are relatively higher than ordinary premium charges, partly because of the cost of collecting the premiums from the houses of the insured, partly because of the larger number of office transactions necessary in the conduct of the industrial business, but largely because the class of risks assumed includes various nativities and occupations subject to a higher death rate than the average of risks written by exclusively ordinary companies. For illustration: The general death rate at ages thirty-five to forty-four is 7.5 per one thousand for Americans, 9.6 for natives of Germany, 10.5 for natives of Bohemia, and 15.0 for natives of Ireland; for clergymen the death rate at ages twenty-five to forty-four is 6.2, while for laborers it is 13.9 and for cigarmakers 14.6. Briefly, the premium charges per $100 of insurance, at age forty, are $3.46 per annum for an ordinary policy, paid quarterly; and $5.20 per annum for an industrial policy, paid weekly, with the premiums collected by agents from the houses of the insured. On the retail principle the difference in cost between industrial and or-

dinary insurance is less than the difference between wholesale and retail prices for many of the necessities of life.

ANALYSIS OF PREMIUM PAYMENTS.

The average weekly premium paid by American industrial policyholders is slightly above 10 cents. Of the new issue of a large and representative company during 1903 36 per cent. were 5 cent policies, 41 per cent. were 10 cent policies, and 23 per cent. were policies with premiums over 10 cents. At ages under ten, however, 61 per cent. were 5 cent policies and 39 per cent. were 10 cent policies. At ages under ten no higher premium than 10 cents is accepted.

PREMIUM CHARGES AND POLICY CONDITIONS.

The premium charges necessarily vary with age, being scientifically adjusted to the normal mortality rate of the American population. The premiums remain the same for life, except in so far as a reduction results from cash dividends which are payable after a policy has been fifteen years in force. The amount insured for is increased by additional benefits after a policy has been in force for five years. The amount of insurance payable for a weekly premium of 10 cents is $240 at age ten, $100 at age forty, and $26 at age seventy. One-fourth of the amount of the policy is payable if death occurs during the first six months of insurance duration and one-half if death occurs during the second six months. The full amount of the policy is payable in the event of death after one year of insurance duration.

THE INSURANCE OF CHILDREN.

Children are insured as members of the family to carry out the original conception of industrial insurance, to make the system one of complete family protection. Under the age of ten no higher premium than 10 cents will be accepted. On account of the decreasing rate of mortality at young ages the amount of insurance gradually increases until a maximum sum is reached at age ten. After this age has been attained the amount payable in the event of death remains the same for life, subject to an increase by additional benefits. At age two, for illustration, the maximum amount for which a child can be insured is $34; at age four, $48, and at age six, $78. The premiums remain the same for life.

FUNERAL EXPENSES AND CLAIM PAYMENTS.

Although the life insurance of children aims primarily to provide a sum sufficient for the funeral of a child, on the average the sum paid under such policies is less than sufficient to meet the modest average expenses. At ages under ten the average claim payment in the experience of the Prudential was $30, while the average funeral expenses at this age period, determined by a careful investigation, were $40. If to the cost of the burial there is added the medical and other expenses of the last illness, a considerable net loss must still fall upon the family in the event of the death of a child, even though provision has been made for the burial expenses by an industrial policy. No higher premium than 10 cents is accepted on the life of a child, and the maximum sums for which children can be insured are in strict accordance with the laws of New York for 1892, regulating the insurance of children by industrial companies.

CLAIM PAYMENTS.

The aggregate amount paid in claims to American industrial policyholders exceeds $26,000,000 per annum. The estimated number of such claims is 250,000 a year. These payments include a considerable sum paid on account of voluntary financial concessions made at different times, as increasing experience made possible a course of prudent liberality, with due regard to the interests of existing and future policyholders of the companies. Of the industrial claims paid during 1903 by a large and representative company about 40 per cent. were increased by mortuary dividends or additional benefits as the result of voluntary concessions.

SOCIAL VALUE OF INDUSTRIAL INSURANCE.

The value of industrial insurance as a means of family protection is perhaps nowhere better illustrated than in the numerous cases of aid rendered to the beneficiaries of policyholders whose lives are lost in exceptional accidents, disasters, epidemics, etc. Of the 1,020 persons whose lives were lost in the Slocum disaster 547 were persons insured with industrial companies. During our war with Spain and the military operations in the Philippines no extra premiums were required from industrial policyholders on account of active service at home or abroad. A study of the distribution and actual location of claim payments in large cities affords a striking illustration of the universality and wide extent of industrial insurance in the great centres of population. Of the deaths occurring in the city of Newark, for illustration, at ages over one during the year 1902 in the experience of a single company 44 per cent. were persons insured under industrial policies. If the facts were known regarding all the companies operating in Newark it is quite probable that it would be shown that from 60 per cent. to 70 per cent. of the persons dying in that city are insured on the weekly premium payment plan.

FAMILY EXPENDITURES.

The burden of insurance falls lightly upon the average family, for, as brought out by various Government investigations, the average proportion expended for insurance of the annual family income of wage earners is only about 3 per cent. The average actual expenditures for life insurance of wage earners with incomes of less than $1,200 was $29.55, by the latest data published by the United States Department of Labor. Contrast this with the average annual expenditure of $24.53 for intoxicating liquors, and $13.80 for tobacco, and the expenditure for insurance is relatively insignificant. If a more strict economy is required it is evident that the necessary reductions can be better made and to greater personal advantage from the largely needless and often harmful expenditures for liquor and tobacco than from the amounts expended for life insurance.

DISTRIBUTION OF WEALTH BY INSURANCE.

While not far from $30,000,000 are annually paid out in industrial claims, the majority of such claims range from $100 to $200. In the experience of a large and representative company, of the claims paid 23 per cent. were in amounts of less than $50, 19 per cent. from $50 to $99, 39 per cent. from $100 to $199, and 19 per cent. were of $200 and over. The distribution of so vast a sum as is represented by the annual claim payments of industrial companies must necessarily be a fact of great social and economic importance, emphasizing the value of industrial insurance as a method and means for the accumulation and distribution of wealth among an element of the population slowly rising in the scale of material well being to a position of social and economic independence.

INSURANCE IS SAVINGS.

The present status of the business is in marked contrast to the results accomplished by other methods of savings, readily available to those who, as wage earners, have to adjust their affairs to a weekly income and the economical disposition of a small available surplus. Insurance has inherent advantages over every other form of savings which are readily comprehended by anyone of even moderate intelligence. Briefly, to use just one illustration, at age twenty by savings bank methods it requires thirty-seven years at 3 per cent. interest to accumulate a sum, say $1,000, which is made available at once by life insurance on the ordinary plan in the event of the death of the insured. It requires twenty-three years at 3 per cent. to provide by savings bank methods a sum, say $100, which becomes available on the industrial plan, after the policy has been in force a full year, while proportionate amounts are available from the date of the policy, as previously explained, namely, one-fourth if death occurs during the first six months, one-half if death occurs during the second six months, and the full amount of the policy is available if death occurs after one year of policy duration.

AMERICAN INDUSTRIAL INSURANCE COMPANIES.

The industrial companies have accomplished truly wonderful results. Organized in 1875, by the Hon. John F. Dryden, the Prudential Insurance Company of America was the first of these useful institutions to transact this form of insurance in the United States. In 1879 the Metropolitan insurance company of New York realizing the future possibilities of industrial insurance, commenced also to issue industrial policies. This company holds today the position of being the largest industrial company in the United States. In the same year the John Hancock Mutual insurance company of Boston and the Germania of New York, both organized as ordinary companies in 1862 and 1860, respectively, commenced the transaction of industrial business. The Prudential, Metropolitan and John Hancock are today the leading industrial companies in the United States and transact 94.5 per cent. of the entire business in force with some fifteen companies. The Germania in 1886 ceased to do an industrial business.

A number of companies have been organized during the last

twenty years, some of which have been absorbed by other companies for a variety of reasons, but it is something very considerably to the credit of the managers of these companies that no industrial insurance company in the United States has ever failed. The faith and confidence of the general public in industrial insurance is, no doubt, largely due to this fact of a clean business record and evidence of sound office management. Of the smaller but important industrial companies I may mention the Life Insurance Company of Virginia, at Richmond, Va.; the Western and Southern, at Cincinnati, Ohio, and the Colonial, at Jersey City, N. J.

COMPARATIVE PROGRESS OF INDUSTRIAL INSURANCE.

In the United States as a whole there are now some fifteen million industrial policies in force upon the lives of some twelve million persons, representing approximately the insurable members of three million families. Every year the companies are making a substantial increase in their business and the relative annual progress is considerably in excess of the normal increase in the population, wealth, trade and industry. During the decade ending with 1900 industrial insurance, as measured by the number of policies, increased 189 per cent., while the total estimated wealth of the United States increased 45 per cent., the number of savings bank depositors 43 per cent. and the population 22 per cent.

These comparisons are significant, for they illustrate the vast social and economic force represented by industrial insurance as a modern provident institution. Millions of people are being educated in habits of systematic savings and such habits once acquired must needs react favorably upon the whole of our national life and character.

A UNIVERSAL METHOD OF THRIFT.

The best results have been obtained in the thickly settled States and cities of the East, especially in New Jersey, New York and Pennsylvania. In New Jersey alone it is estimated that approximately 60 per cent. of the whole population of that State is insured under industrial policies. In the city of Newark the proportion is even greater, being estimated at from 70 per cent. to 80 per cent. These results are astonishing even to those who have a thorough knowledge of the facts. Industrial insurance may rightfully claim consideration as being indeed a universal provident institution, widely diffused among the masses. The foundations have been laid with security for an enduring structure which must in time develop as all other human institutions into one of greater usefulness to both the individual and the State.

EDUCATES IN PROVIDENT HABITS.

Industrial insurance has enormously widened the original conception of life insurance. The wonderful progress of ordinary insurance during the past twenty years, increasing the number of policies from 1,092,529 in 1884 to 5,200,000 in 1904, is in no small measure the result of the effective education of the masses in provident habits through industrial insurance. Week in and week out lessons of thrift are taught to millions and the fact is brought home that insurance alone provides with certainty for the needs of an uncertain future.

These lessons have sunk deep into the life of the people and they have left an enduring imprint upon the individual conscience and developed a higher sense of civic duty. It is no longer thought even permissible on the part of the poor to let the burden of burial and the immediate protection of the family fall upon others, except those duly responsible therefor. Money is saved today for insurance which in the past would have been wasted in gambling, in lotteries, in intemperance, and other curses of society. We shall never see the day or a time when speculation or the desire for rapid gain will cease to be an element in human conduct, for gambling itself is probably as old as the human race since civilization's dawn, but looking back over the past thirty years we see the passing of public lotteries and many other forms of illegitimate speculation, never, let us hope, to return to curse the innocent and the helpless.

INSURANCE VS. GAMBLING NOT SPECULATION.

Insurance is the very opposite of gambling, in that individual risk is eliminated and security substituted therefor, while in all games of chance risk is created and insecurity of property is the result and followed by a long trail of misery and disaster. As having done much to educate the masses in effective provident habits, industrial insurance may rightfully claim a most important place. The educational value of industrial insurance as a method of saving has no better illustration than in the progress made during the last ten years in the development of ordinary insurance. From a policy of $100 it is but a step in the evolution of the individual under American conditions to a policy for $500, and later to a policy for $1,000 and more. After having been made familiar with insurance on the weekly premium payment plan, the payment of quarterly premiums for large amounts of insurance becomes more attractive. The evolution of the business is simple and logical, and of the total business of a large and representative company one-third of the insurance in force is now on the ordinary plan. About two-thirds of this insurance has been written by industrial agents. Thus by slow degrees the mission of industrial insurance has been extended from a mere provision for a burial to the protection of widows and orphans and the needs of old age.

LITERATURE OF INDUSTRIAL INSURANCE.

What I have said is merely introductory to a broad and sympathetic study of the subject. For a more comprehensive study the student should read the articles on Guilds and Friendly Societies in Walford's Insurance Cyclopædia, the "Manual of Friendly Societies" by Hardwick, and the works of Frome Wilkinson and Brabrook on the same subject. The elaborate reports of the various Royal Commissions on Friendly Societies in England, beginning with 1825, should be consulted. Other important parliamentary publications referring to insurance are the reports on "National Provident Insurance," "The Aged Poor," and "Old Age Pensions," published at different times during the last fifteen years. Burnreither's "English Workingmen's Associations" and Gainier's "English Peasantry" will be found valuable, particularly if read in connection with Mackay's "English Poor," published in 1889. Mr. Mackay has also published two short monographs on "Workingmen's Insurance" and "Insurance and Savings," which are among the most successful attempts to illustrate the possibilities of solving public problems through the medium and by the methods of insurance.

The "History of the Prudential Assurance Company of London," published in a small volume in 1880, and the subsequent annual reports issued by that company are exceptionally valuable and instructive as illustrating the different phases and the gradual evolution of the business to a universal method of workingmen's insurance. A brief but instructive account of industrial insurance in America was read at the Convention of Insurance Commissioners at Milwaukee, in 1898, by Mr. John R. Hegeman, president of the Metropolitan insurance company of New York.

The Hon. John F. Dryden, president of the Prudential Insurance Company of America, has published from time to time essays and addresses, some of which have been reprinted in pamphlet form for the information of the public. In 1900 the company published a history of its origin and development, as part of an exhibit of insurance methods and results made in the Social Economy Section of the Paris Exposition. In 1902 Mr. Dryden contributed a paper to the *Insurance Record* reviewing the history of industrial insurance during the past quarter century. The year following Mr. Dryden contributed a paper on the "Inception and Early Problems of Industrial Insurance" to the half century anniversary number of the *Insurance Monitor*. This paper contains a vast amount of historical data relating to the early history of industrial insurance and will be found of exceptional value to students interested in the subject. In 1904 Mr. Dryden participated in the course of insurance lectures delivered before the senior class of Yale University, by reading a paper on the "Social Economy of Industrial Insurance," and from these and other sources I have drawn largely for the material used in the preparation of this address.

THE OUTLOOK FOR THE FUTURE.

In the words of Hon. John F. Dryden, the founder and president of the Prudential, which introduced industrial insurance into the United States, "the future is full of promise for the ultimate development of industrial insurance as a universal thrift function in the life of the people, and the record of the companies during the past twenty-eight years is evidence that improvements have been introduced whenever the accumulated experience warranted a further step in advance. Just as it is a recognized law of evolution that 'no social institution commences its existence in a form like that which it eventually assumes,' and that 'in most cases the unlikeness is so great that kinship between the first and last appears incredible,' so industrial insurance in years to come is certain to develop into an agency of still greater usefulness and assume more and more the character of a vast social institution through which most of the uncertainties of life will be effectively provided for."

FACTS AND OPINIONS.

(*Continued from page 282.*)

which will otherwise go into effect next month. The appropriation committee has assigned the department over $100,000, which will provide for eleven additional firemen and three new fire houses.

The **Illinois Central Railroad** has suffered another fire insurance loss, the Oakland station in Chicago, the largest of its suburban stations, having been badly damaged by fire on Sunday. It is understood that the insurance fund was completely exhausted by the New Orleans loss.

The **Standard Fire** insurance company of Trenton, N. J., was admitted to New York this week. It has a paid up capital stock of $200,000, a surplus of $152,015, and total assets of $582,921. F. H. Ross & Son have been appointed managers for the metropolitan district, New York.

The Insurance Department of the District of Columbia, by Superintendent Drake, has **revoked the license of the Interstate Live Stock** insurance company of Washington, D. C., on account of alleged misrepresentations concerning the assets of the concern.

The **Fidelitas of Brussels** has entered the United States and Canada for surplus lines, and has appointed Burnett, Ormsby & Clapp as correspondents. The United States business will be under the management of T. Tileson, of New York.

Mr. Smith—I'm surprised! Why did you insure yourself in the Doem Gude Life insurance company? Why, it's no good.

Mrs. Smith—I know, but, dearest, they give away the sweetest little calendars you ever saw.—*Springfield Journal.*

The **American National Life and Accident** insurance company, of Galveston, Tex., is a new organization to have $100,000 capital and $20,000 surplus. The officers so far announced are W. L. Moody, Jr., president, and J. E. Quinn, secretary.

The **life insurance agents of Birmingham, Ala.,** are organizing, and have formed a temporary organization with W. H. Stewart, of the Metropolitan Life, as chairman, and W. H. Lyons, of the Equitable, as secretary.

A bill has been filed by Attorney General Sturdevant in the **Wisconsin** Supreme Court asking for a **hearing** of the case of the **Equitable Life Assurance Society** which was lately decided against Commissioner Host.

The **New Berne Underwriting Agency** Company, of New Berne, N. C., has been incorporated by Samuel Abbott, C. W. Munger, Clyde Eby, T. A. Green and J. W. Stewart to do a general insurance business.

Two ghostly shapes met. "Who are you?" "I am the iron life preserver. Who are you?" "Shake! I'm the dummy standpipe." Chortling with glee they danced a hornpipe.—*Chicago Tribune.*

The **Eagle Fire** has applied for admission to Texas and Louisiana, and Secretary William G. Whilden has appointed Mr. A. H. Sevier special agent for those States.

Fire insurance in Pennsylvania in thirty-two years is embraced in the chart published by the *Insurance World*, with returns of business to date. Cheap at 50 cents.

The **Phœnix Mutual Life** has appointed C. D. Northen & Co., of Atlanta, general agents for Georgia, succeeding the late Captain Arnall.

A **matrimonial insurance company** has been chartered in Jasper County, Miss., the first since 1885, when bubbles rife at that time bursted.

The **United States Fire** insurance company of New York has withdrawn from Louisiana and Texas.

The Supreme Court of **Nebraska** has reaffirmed its opinion holding valid the **reciprocal insurance tax law.**

Personal.

AGENCY APPOINTMENTS.

Aachen and Munich: R. W. Troxell, of Springfield, Ill., special agent for Southern Illinois.

Connecticut Fire: Walter E. Miller, special agent for Illinois.

Empire State Surety: Fred P. Thomas & Co., of Cleveland, managers of the fidelity and surety branches.

Liverpool and London and Globe: J. Allen Tucker, of Charleston, special agent for South Carolina; Calvin R. Day, special agent for North Carolina and Virginia.

Pensylvania Fire: McAtee & Duncan, sole agents for Louisville, Ky.

Phœnix Mutual Life: C. D. Northen & Co., of Atlanta, general agents for Georgia, succeeding Charles S. Arnall, deceased.

Svea: The Detroit Insurance Agency, sole agents for Detroit; Schmidt & Smith, sole agents for Indianapolis.

Traders of Chicago: Scruggs & Smith, of Dallas, Tex., general agents.

Union of London: Arthur Kemp, special agent for Illinois, Ohio, Indiana, West Virginia, Kentucky and Tennessee, with headquarters at Chicago.

Mr. H. N. Pinkham, of the well known local agency firm of Dow & Pinkham of Portland, Me., has organized the firm of Pinkham, Kleve & Co., of 61 William street, New York, the partnership to go into effect March 28. While the new arrangement will require Mr. Pinkham to spend much of his time in New York, he will retain his connection with the Portland agency, of which H. W. Susskraut will continue to be manager. Mr. Pinkham will also retain his home in Portland, for some time at least. The new firm has already arranged for connections in Portland, Pittsburgh and Cincinnati, as well as with the London Lloyds, and arrangements for connections in Baltimore, Chicago and Boston will be made as soon as possible. It will represent several companies as agents in New York and also transact a brokerage business, both local agency and brokerage to be done strictly under the rules of the National Association of Local Fire Insurance Agents.

Mr. Miles Menander Dawson has been engaged by the *Wall Street Journal* to prepare a series of educational articles on life insurance. The articles will number about twenty and will cover the whole subject of life insurance in popular fashion. In its announcement the *Journal* says: "In selecting Mr. Dawson to write these series of articles for us we were guided by three things. First, the fact that Mr. Dawson is recognized in the insurance world as an expert of the first rank. Second, that, besides possessing expert knowledge of his subject, he possesses also the faculty of stating it clearly. Third, the fact that Mr. Dawson is directly identified with no one company or group of companies, but is an independent consulting actuary. We count ourselves fortunate in having been able to find a man possessing these desirable characteristics to write this series for us."

Mr. Archibald Kemp, New York and Pennsylvania special agent of the Union and Law Union and Crown, has been transferred to Chicago from where he will cover West Virginia, Illinois, Ohio, Tennessee, Indiana and Kentucky. His predecessor there, Mr. A. R. Williams, goes to the Western and Northwest field, and Mr. Gilbert Hay will be relieved of Kentucky and Tennessee, which will give him more opportunity to devote himself to the Southern general agency of the companies.

Mr. Benjamin W. Wells, street commissioner of Boston in Mayor Quincy's time, was last Monday appointed fire commissioner, to succeed the late Colonel Russell, by Mayor Collins. Mr. Wells has declared his intention of continuing the administration of the department on the lines established by his predecessor—a very excellent resolve, to which it is to be hoped he will stick.

Mr. George G. McAdam, postmaster at Rome, N. Y., and a member of the local agency firm of Stone & McAdam, died in that city of Bright's diease on March 13. He was forty-seven years old and a native of Scotland. He was a graduate of Hamilton in the class of '78, a mem-

ber of the State Legislature in 1888 and 1889. He was a member of Psi Upsilon and the Masonic order and an Elk.

Mr. John T. Liggett, first secretary of the Michigan Mutual Life insurance company of Detroit, which he was instrumental in organizing in 1867, died March 16 at his residence in that city, from paralysis, which had afflicted him for three years. He was born in Xenia, Ohio, and was sixty-eight years old. He was secretary of the Michigan Mutual Life for eighteen years.

Mr. George A. Lamon, of the Watertown, N. Y., insurance firm of Lamon & Bullard, died suddenly March 14 at his home in that city, from pneumonia. He was thirty-one years old. For eight years he was an accountant for the Agricultural insurance company and a few months ago he formed a partnership with Maitland C. Bullard.

Mr. J. D. Sheahan has been appointed general agent for the Shawnee Fire for Illinois, Indiana, Wisconsin, Minnesota, Iowa, Nebraska and the Dakotas, Missouri, Kentucky, Tennessee and Oklahoma. The company has just been licensed in Illinois and several other States. C. W. Higley & Co. have the Chicago agency.

Mr. Hart Darlington, formerly Wisconsin special agent of the Royal, has resigned to become State agent of the Spring Garden for Wisconsin, Iowa and Minnesota, succeeding Walter D. Williams, who was recently elected vice president of the Spring Garden.

Mr. George R. Crawford, president of the Westchester Fire insurance company, has been elected president of the board of fire commissioners of the city of Mount Vernon, N. Y. He was formerly chief of the department.

Mr. E. C. Basse, special agent for the American of Newark and Security of New Haven in Missouri, has been given charge of the business of the two companies in Wisconsin, with headquarters at Milwaukee.

Mr. C. E. Wheeler, of the staff of the Kentucky and Tennessee Board of Fire Underwriters, will become special agent of the Milwaukee Mechanics on April 15 and will make Louisville his headquarters.

Mr. William Talbot Walke, senior member of the Norfolk, Va., insurance firm of W. T. Walke & Son, died at his home in that city on March 14. He was a Confederate veteran and was sixty-eight years old.

Mr. D. H. Willard, a well known life insurance agent of Tennessee, has arranged to give a course of lectures on his profession at Grant University in that State, of which institution he is an alumnus.

Mr. George D. Harmon, who was recently appointed State agent of the Milwaukee Mechanics for Missouri and Kansas, died from heart disease at his home in St. Joe, Mo., this week.

Mr. Lachlan Sinclair, now with the London office of the Scottish Union and National, has been appointed foreign superintendent of the North British and Mercantile insurance company.

Mr. Carl Claussen, an examiner in the Western department of the London and Lancashire and the Orient, has been appointed special agent in the West, succeeding Mr. E. M. Schoen.

Mr. W. S. Boynton has been appointed South Carolina State manager of the Sun Life of Canada at Columbia. He was formerly district manager of the same company at Greensboro.

Mr. W. T. Dreger, formerly a member of the firm of Dreger & Doughty, managers of the Hartford Life for Georgia, has been appointed agent for the New York Life at Atlanta.

Mr. William J. Perry, of Staunton, Va., and Mr. Henry J. Freese, of St. Louis, agents of the Washington Life, visited the home office of the company this week.

Vice President Theodore Johnson, of the Washington Life insurance company, is in St. Paul, Minn., looking after agency conditions in that territory.

Mr. William O. Blaney, a director of the John Hancock Mutual Life, has been elected to the newly created office of fourth vice president of the company.

Vice President Merrill, of the Northwestern Mutual Life, according to a Pasadena, Cal., dispatch, is critically ill at a sanitarium in that place.

Mr. Joseph O. Nichols, many years special agent of the Merchants of Newark, died in that city on Monday after an illness of several weeks.

Mr. Kimball C. Atwood, secretary of the Preferred Accident insurance company, is sojourning in the South. He will return about April 3.

Mr. William Wright, local agent at Jefferson, Wis., has been appointed special agent of the Delaware and Reliance for that State.

Mr. J. S. Moore, special agent of the Hanover Fire for Kentucky and West Virginia, died at Hopkinsville, Ky., March 15.

Mr. Herman R. Diekmann, an insurance and real estate broker of Borough Park, L. I., died at his home there on March 17.

Mr. W. H. Johnson, an insurance agent of Huntingdon, Pa., died suddenly at his home in that city on March 13.

Mr. Iven E. Lang, of Bowdoinham, succeeds Mr. Charles W. Fletcher as Deputy Insurance Commissioner of Maine.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

LITTLE ROCK, Ark., March 8.—Senate Bill No. 289, by Mr. Amis, provides that every foreign life insurance company doing business in the State shall keep account of all receipts and disbursements (showing amounts received from and paid to citizens of this State), and within ten days after demand is made therefor by the Auditor of this State every such company shall make out and file with the Auditor a report, under oath, showing the amount of such receipts and disbursements on account of business done in this State. It shall be the duty of every such insurance company to keep invested or loaned in this State an amount equal to three-fourths of the net premiums received, on account of business done in this State, at the end of each year.

Arizona.

PHŒNIX, Ariz., March 23.—The Legislature has adjourned. No new insurance laws were enacted. The three House bills announced in these special dispatches and numbered 27, 105 and 38, all died at various stages.

California.

SAN FRANCISCO, Cal., March 17.—The Legislature has adjourned. Following is a complete record of all insurance legislation:

Senate Bill No. 29, by Mr. Shortridge, relating to the deposits of indemnity companies. Left in committee.

Senate Bill No. 239, regulating the registration and deposits of life insurance companies. Withdrawn.

Senate Bill No. 240, by Mr. Carter, regarding real estate holdings of life insurance companies. Approved by Governor February 24.

Senate Bill No. 241, by Mr. Carter, regarding investments of insurance companies. Approved by Governor March 3.

House Bill No. 739, by Mr. Lukens, regarding policies in unauthorized companies. Died on files.

House Bill No. 764, by Mr. McKee, regarding licenses of agents. Left in committee.

Senate Bill No. 855, by Mr. Lukens, regarding the solvency of casualty companies. Approved by the Governor.

Senate Bill No. 856, by Mr. Lukens, regarding filing of statements, died on the files, as did also Senate Bill No. 858, by Mr. Lukens, regarding certificates.

The most important bill of the session, House Bill No. 734, by Mr. Hartman, an anti-compact measure, was defeated.

House Bill No. 96, by Mr. Treadwell, for a standard form for title insurance policies, died on the files.

House Bill No. 385, by Mr. Drew, regarding reinsurances, is before the Governor.

House Bill No. 387, by Mr. Drew, service of process, approved by the Governor.

House Bill No. 388, by Mr. Drew, salvage corps, is before the Governor.

House Bill No. 508, by Mr. Drew, insurance by mortgagor, is before the Governor.

House Bill No. 746, by Mr. Bates, investments and loans, is before the Governor.

House Bill No. 933, by Mr. Busick, agents' licenses, died on the files, as also did House Bill No. 1086, by Mr. Waste, filing of statements, and House Bill No. 1148, by Mr. Burke, certificates of authority to do business.

Connecticut.

HARTFORD, Conn., March 23.—The Committee on Insurance today reported favorably in the Senate the substitute for House Bill No. 585, which provides that the Insurance Commissioner shall not license to do business in this State a fire insurance

company which has not $100,000 paid up capital, or if a mutual company, its equivalent in assets.

HARTFORD, Conn., March 17.—The Insurance Committee has reported favorably the bill authorizing the Insurance Commissioner to give back such securities as he is not required to hold for insurance companies by the laws of the State.

The Senate has insisted on its action in passing the resolution authorizing the Comptroller to insure the Capitol and contents for $1,000,000 at an annual cost of about $4,000 for premiums, and has appointed a conference committee. The House had previously rejected the resolution, and its passage is conjectural. The Committee on Capitol, Furniture and Grounds reported the resolution favorably by a unanimous vote.

Bills regarding reports of insurance companies to the commissioner, requiring surety companies to have a reserve fund of not less than 50 per cent. of gross premiums, and regulating the reports made by surety companies, were passed by the Senate today in concurrence with the House.

Illinois.

SPRINGFIELD, Ill., March 18.—Representative McKinley, of Cook County, introduced the anti-trust bill drawn by Attorney General Stead and indorsed by Governor Deneen. The bill is a combination of the former bill introduced by Mr. McKinley and one drawn soon afterward by the Attorney General.

The definition of a trust is enlarged to include both life insurance companies and underwriters.

A new section providing for a system of graduated fines for corporations violating the act and a similar system for the officers of the corporation is introduced. It is specially provided that any person or corporation injured by the operations of a trust shall be entitled to sue and recover twofold all damages sustained.

The new provision is made in defining what shall be termed a trust. It reads:

Fifth—To combine by any association, agency, contract or agreement for the purpose of establishing uniform or non-competitive rates of interest, insurance or compensation, to be charged for the forbearance or loan of money or the guaranty of indemnity for loss of life or property by accident, casualty or disease.

SPRINGFIELD, Ill., March 22.—Mr. Glackin today introduced in the House a resolution providing for the appointment by the Governor of a commission of five to investigate the question of industrial insurance and report to the next Legislature.

The Senate insurance committee killed Senate Bill No. 315, by Mr. Berry, which required the Superintendent of Insurance to charge as liabilities of casualty insurance companies all outstanding indebtedness of the corporation. The bill also required insurance companies to report each year to the Superintendent of Insurance their experience on liability policies in every State as to the number of persons injured under policies, payments, etc.

The House Judiciary Committee today ordered a favorable report on Mr. McKinley's anti-trust bill prohibiting fire insurance companies from combining to fix rates. The House Committee on Insurance today reported out Mr. Lurton's bill directed at wildcat insurance companies.

Maine.

AUGUSTA, Me., March 20.—The House has finally killed, by a vote of 88 to 14, Senator Clark's bill to abolish the arbitration clause in the standard fire insurance policy. The bill recently passed the House.

Massachusetts.

BOSTON, Mass., March 17.—The Senate accepted in concurrence the report of the Committee on Insurance, leave to withdraw on the petition with House Bill No. 444, of Parker N. Jenkins and another for legislation relative to fire insurance companies and the appointment of referees; the report leave to withdraw, on the petition with House Bill No. 445 of Walter H. Smith and another for legislation to provide for a change in the standard form of fire insurance, omitting therefrom the arbitration clause so called, and the report, leave to withdraw, on the petition with House Bill No. 680 of William L. Chase for legislation relative to the forfeiture of life insurance policies for non-payment of premiums.

BOSTON, Mass., March 17.—The Committee on Labor reported today leave to withdraw on the petition for a law to prohibit or restrict insurance by employers against losses caused by strikes or lockouts with House Bill No. 578.

The Senate ordered to a third reading the bill to incorporate the Contractors' Mutual Liability insurance company.

The Senate accepted the adverse report of the Insurance Committee on the petition, with House Bill No. 562, of Charles H. Osborne, for an act to authorize burial associations to do business in the State.

BOSTON, March 20.—The Senate accepted without debate the House report of the Committee on Insurance, leave to withdraw, on the petition, with House Bill No. 864, of John F. Sheehan for legislation relative to investments of the legal reserves of life insurance companies.

BOSTON, Mass., March 21.—The House recommitted the adverse report of the Insurance Committee on the petition, with House Bill No. 563, of Samuel T. Frost, for a law to authorize domestic companies to do casualty and boiler insurance business, provided they have capital sufficient for both classes. This is doubtless in consequence of the great boiler explosion in Brockton yesterday, and the desirability of having all matters of the sort before the committee as a basis of business.

Minnesota.

ST. PAUL, Minn., March 16.—The Senate Insurance Committee has recommended for passage Senate Bill No. 324, by Mr. Horton, amending the present law as to the deposit of securities in this State.

ST. PAUL, Minn., March 17.—The House today passed House Bill No. 92, placing the Insurance Department on a new basis as to fees and salaries.

ST. PAUL, Minn., March 21.—The Senate Committee of the Whole has recommended for passage Senate Bill No. 304, by Mr. Horton, relating to deposits of securities.

The House Insurance Committee today presented a substitute for the Rosenthal fire marshal bill, imposing a tax on fire premiums of one-fourth of 1 per cent. in addition to the present tax.

ST. PAUL, Minn., March 22.—The House Insurance Committee today reported the fire marshal bill, House Bill No. 584, by Mr. Rosenthal, with an amendment to prohibit fire companies from paying agents more than 15 per cent. commission.

ST. PAUL, Minn., March 22.—The House Insurance Committee today reported for passage House Bill No. 584, by Mr. Rosenthal, for a fire marshal, with an amendment to prohibit fire insurance companies from paying agents more than 15 per cent. commission; also House Bill No. 588, by Mr. Washburn, deposits of securities; also Senate Bill No. 219, by Mr. Smith, to allow Lloyds to write sprinkler leakage insurance.

ST. PAUL, Minn., March 23.—The Senate has passed Senate Bill No. 324, by Mr. Horton, relating to deposits of securities.

Missouri.

JEFFERSON CITY, Mo., March 17.—The Senate has passed House Bill No. 546, removing the 2 per cent. tax on reinsurance business. It now goes to the Governor for signature.

Nebraska.

LINCOLN, Neb., March 18.—House Bill No. 277, by Mr. Hogrefe, admitting foreign accident and health insurance companies, has passed the House.

Senate Bill No. 277, by Mr. Beghtol, anti-discrimination, has passed third reading.

Senate Bill No. 280, by Mr. Epperson, has passed third reading. It relates to places of civil actions against insurance companies.

House Bill No. 406, by Mr. Muxem, repealing the valued policy law, has been favorably reported.

Mr. Mockett has introduced Senate Bill No. 216, a joint resolution, favoring Federal supervision of insurance. It has gone to third reading in the Senate.

New Jersey.

TRENTON, N. J., March 17.—House Bill No. 195, introduced by Mr. Barber, makes it unlawful for an insurance company to contest a policy after the insured has been examined by the company and accepted on the physician's certificate. It was referred to the committee.

Senate Bill No. 77, by Mr. McKee, prohibiting the application of the coinsurance clause unless the loss or damage is more than 5 per cent., was laid over.

TRENTON, N. J., March 21.—House Bill No. 338, introduced today by Mr. Birkholz, repeals Section 87 of the insurance law providing that a broker shall pay a $10 license for negotiating insurance contracts. It was referred to the Committee on Banks and Insurance.

Assemblyman Layden, of Passaic County, introduced a bill last night designed for Paterson, but which applies to Trenton and all other cities except those of the first class. The bill authorized cities to which it applies to establish a fund for the insurance of public buildings against loss by fire.

It is provided that the common council, or rather governing body having charge of the finances, may appropriate any sum of money under their control and not raised for any other purpose, and may add to this fund yearly in the same manner, or by raising such sum, by putting it in the tax levy each year.

The governing body is to have full power to designate by resolution the maximum and minimum amount of the fund; and from time to time may provide for the disposition of any excess over the maximum amount so fixed, or of the interest or profits arising from it.

It is provided that no municipality where such a fund has been established shall carry any other insurance on its public buildings or property without the consent of the finance committee of the governing body.

New Mexico.

SANTA FE, N. M., March 18.—The Legislature which just adjourned has placed a number of laws affecting insurance interests upon the statute books. The most important was House Bill No. 73, an act to establish an Insurance Department in the Territory of New Mexico, and to regulate insurance companies doing business therein.

House Bill No. 150 was also passed, which is an act to amend the new insurance law so that it shall not apply to policies thus far written, except that premiums collected on old policies shall also pay a 2 per cent. tax.

Senate Bill No. 105 was passed, which is an act providing for uniformity in filing official bonds.

Senate substitute for Senate Bill No. 55, approved March 3, is an act defining the crime of arson and providing a penalty therefor, and for other purposes. The act provides that arson which results in the death of any person shall be punished the same as murder in the first degree. Arson not resulting in loss of life is to be punished by imprisonment of from two to twenty years. For burning down an unoccupied house the punishment is fixed at from one to fifteen years. For setting fire to a building or merchandise with intention of defrauding an insurance company, the punishment is set at imprisonment from one to ten years.

New York.

ALBANY, N. Y., March 17.—The Senate Insurance Committee reported Brackett's bill, No. 266, to compel insurance companies to include in their policies the entire contract. The bill has been amended so as to provide that if the contract is not so attached "the insurance company shall upon demand furnish complete copies of the papers to the insured or to any beneficiary or assignee, or either of them, in any matters appertaining to such insurance." On refusal to comply with such demand the Superintendent of Insurance may, in his discretion after a hearing, suspend the company's right to do business until such copies are furnished. Senator Brackett is dissatisfied with the action of the committee. He says: "I don't need to see the amendment. You can gamble on it that it is an amendment satisfactory to the insurance companies, and I imagine it is the one suggested as making the furnishing the papers subject to demand. What does the poor yokel know about making any demand?"

The House Insurance Committee reported Mr. Lewis' bill, No. 634, relative to the amendment of charters of domestic insurance companies. Also his bill, No. 635, relative to the formation of life and casualty corporations upon the co-operative or assessment plan, and his bill, No. 798, relative to Lloyds associations.

ALBANY, N. Y., March 21.—The House today passed without debate the Insurance Committee's bill, 475, taxing the premiums of insurance corporations.

ALBANY, N. Y., March 22.—Mr. Ambler introduced today Senate Bill No. 763, providing that any fire insurance company, whether domestic or foreign, doing business in the State which enters into and maintains a pool, trust agreement or understanding to control rates, shall be deemed guilty of a conspiracy to defraud and shall be deemed to have forfeited its right to do business in the State. On July 1 of each year the Superintendent of Insurance shall inquire of each such fire insurance corporation whether it is interested in any trust, pool or agreement. Answer under oath must be made to such inquiry, signed by the president and secretary of such corporation. By September 30 following any such corporation or officer, agent or other representative guilty of violation of this act shall be deemed guilty of a misdemeanor, and upon conviction shall be liable to a fine of not less than $250 nor more than $1,000.

Mr. Page introduced Senate Bill No. 757, providing that no casualty or credit insurance corporation after June 1, 1905, shall transact the business of guaranteeing or indemnifying merchants and those engaged in business and getting credit from loss or damage by reason of extending credit to customers and those who deal with them, except such corporations as have been authorized to transact such business before said date; but

such corporation may continue to transact such business with privileges theretofore possessed or enjoined by it.

The Senate today advanced to third reading Mr. Ambler's bill, No. 215, prohibiting fire insurance corporations from declaring dividends in excess of 10 per cent. in any one year, unless certain requirements are observed.

The House has advanced to third reading the following bills: Mr. Lewis' House Bill No. 634, relative to the amendment of charters of domestic insurance corporations; Mr. Lewis' House Bill No. 798, relative to Lloyds associations, bringing them under the supervision of the Insurance Department.

The House today passed Mr. Malby's Senate Bill 156 requiring larger reserves from casualty insurance corporations.

The Senate passed the House Committee's House Bill No. 516, taxing premiums of insurance companies, substituting it for a similar Senate bill on order of third reading. The Senate advanced to third reading Mr. Ambler's bill, No. 392, as amend the charters of domestic insurance corporations.

ALBANY, March 23.—Mr. Malloy introduced House Bill No. 1277 today, providing that whenever any industrial life insurance policy issued after September 1, 1905, lapses after three years or becomes forfeited, the company shall on demand, accompanying the surrender of the policy within sixty days after such lapse or forfeiture, return or pay to the policyholder the following surrender or cash values: Between third and fifth years, 30 per cent. of money paid as premiums; between fifth and tenth years, 40 per cent.; between tenth and fifteenth years, 50 per cent.; after fifteenth year, 60 per cent.

The bill designates as industrial companies any corporation insuring persons for less than $1,000 and collecting premiums in weekly or monthly instalments. A violation of this act shall be deemed a misdemeanor and upon conviction the offending company shall forfeit its charter and directors of such offending company shall be subject each to penalty of $1,000, or imprisonment for one year.

Governor Higgins today signed the gross premium tax bill, House Bill No. 475. The bill is designed to meet decisions of the courts by making retroactive the present tax on insurance premiums, which was held by the Court of Appeals to be effective only from the date of its passage.. It is expected to net between $800,000 and $1,000,000 in revenue.

Senator Coggeshall has introduced the old Townsend fire escape bill, providing rope escapes. The bill does not apply to New York city or summer resort hotels.

The anti-conspiracy bill, Senate Bill No. 763, introduced by Mr. Ambler, is attracting considerable attention. Its chances of passage, however, at this stage of the session, in view of the opposition it is sure to encounter, are not regarded as encouraging.

Such unlooked for progress is being made by the Lewis Lloyds Bill, House Bill No. 798, bringing those associations under the supervision of the Insurance Department, that its supporters are now disposed to believe that it will reach the Governor after all. It is on the order of third reading in the Assembly and is likely to pass that body in another week.

Mr. Malby's bill, No. 156, requiring a larger reserve from casualty corporations, is awaiting the consideration of the Governor, having passed both branches of the Legislature.

ALBANY, N. Y., March 24.—The Senate Insurance Committee has reported Mr. Ambler's Senate Bill No. 393, prohibiting the formation of life and casualty insurance companies upon the co-operative or assessment plan after June 1, 1905.

Mr. Dowling today introduced House Bill No. 1296, amending Section 137 of the present law so as to provide that the Superintendent of Insurance shall appoint, for a term of five years, a citizen of the State to act as an agent in reference to policies of fire insurance secured from partnerships, persons, corporations or associations which are not authorized in New York State. Before such policies can be secured the person desiring insurance and the agent or broker obtaining the insurance must file an affidavit in duplicate with the official to be appointed as above, who shall examine and approve the issuance of such insurance. Certificate of such official approval shall be delivered to the person desiring insurance or his representatives, who within ten days thereafter must file one of the duplicate affidavits with the clerk of the county in which the property to be insured is located. The affidavit shall declare that the applicant for insurance is after diligent effort unable to procure sufficient insurance from the duly authorized companies to protect his property. Every agent or broker procuring policies in such unauthorized companies, persons, partnerships or associations shall keep separate account thereof, open at all times to the inspection of the Superintendent of Insurance and to his special deputy as above. Such accounts shall show the exact amount of such insurance placed, the gross premium charged, with what corporation, etc., it is placed, the date of policy, its term and the location of the property insured. Three per cent. of the gross premiums collected upon such accounts shall be appropriated for the use of the Volunteer Firemen's Home at Hudson, N. Y., except on risks located in New York city, the 3 per cent. tax on which shall be appropriated each year to the use of the fire patrol.

Pennsylvania.

HARRISBURG, Pa., March 18.—A House bill by Mr. Hitchcock introduced March 8 provides for the taxation of the personal property of insurance companies for road purposes.

HARRISBURG, Pa., March 23.—The House bill by Mr. Hitchcock has been printed with an amendment changing the tax from 1 mill to one-half of 1 mill.

South Dakota.

PIERRE, S. Dak., March 22.—The Legislature has adjourned. Three insurance bills became laws, to wit: Senate No. 171, regulating surety and employers' liability companies; Senate No. 206, prescribing a standard form of fire insurance policy, and Senate No. 235, amending the law regarding annual statements by insurance companies.

Texas.

AUSTIN, Tex., March 20.—The following bills were introduced in the Legislature today:

By Mr. Decker—Senate Bill No. 298, to be entitled "An act to extend the laws and supervision of the Insurance Department over persons, firms or associations not incorporated to do an insurance business in the State." This bill was read a first time and referred to the Committee on Insurance Statistics and History.

By Mr. Griggs—Senate Bill No. 299, to be entitled "An act to provide for the issuance of insurance policies against tornadoes, cyclones, storms, wind and lightning." This bill was read a first time and referred to the Judiciary Committee.

Utah.

SALT LAKE CITY, Utah, March 18.—The Legislature has adjourned.

Senate Bill No. 32, by Mr. Callister, regulating foreign insur-

ance companies, was killed. Senate Bill No. 103, by Mr. Hollingsworth, anti-rebate, was killed, as was also Senate Bill No. 104, by Mr. Hollingsworth, regarding annual statements, and Senate Bill No. 115, by Mr. Park, taxing insurance premiums. No bills affecting insurance were passed.

Washington.

OLYMPIA, Wash., March 20.—Governor Mead has signed all the insurance bills passed by the Legislature. The anti-rebate bill, House Bill No. 22, by Mr. Lindsley, was the last to receive his approval, and though it passed both Houses with but very little opposition the Governor withheld his approval for several days.

The most serious attack upon the insurance companies was that proposed in the firemen's relief bill, House Bill No. 76, by Mr. Tucker, and it died in conference on the last night of the session. This bill, as passed by the Senate, set aside 2 per cent. of all premiums collected by fire insurance companies in this State to create a firemen's benefit and relief fund. The House proposed to mulct the companies for another 1 per cent. to protect the State Treasury, which now receives the 2 per cent. of insurance premiums. The Senate rejected the amended bill and it was deliberately allowed to die in conference.

Another insurance bill that died was one which proposed to amend the law compelling insurance companies to publish an annual statement in the two largest Eastern and Western Washington daily newspapers so as to permit the Insurance Commissioner to give the publication to any newspapers he saw fit. Such arrangement would have conferred the work upon two minor publications and taken away the only return the insurance companies receive—good advertising.

Most of the insurance legislation of the session was unimportant and attracted no attention. There may be some danger in House Bill No.99, by Mr. Bassett, of Adams, which passed without much comment. This bill permits mutual fire insurance companies operating outside incorporated cities and towns to issue policies when $50,000 worth of insurance has been subscribed. The old law made $200,000 the minimum, and the criticism has been offered that Bassett's bill puts a premium on wildcatting.

House Bill No. 22, by Mr. Lindsley, mentioned above, prohibiting the giving of rebates to any but authorized agents of life insurance companies, does not affect secret and benevolent societies. It was aimed, in part, at a new Coast company which has been giving "prominent men" special rebates and at certain representatives of old line companies, who, while charging full rates, have set up the claim that they gave the insured a particularly low rate.

The Legislature has adjourned and no further insurance legislation was enacted.

Wisconsin.

MADISON, Wis., March 20.—House Bill No. 253, by Mr. Bletcher, has been passed by the House. It refers to examinations of insurance companies.

MADISON, Wis., March 23.—The Senate Insurance Committee recommends the death of Senate Bill No. 14, by Mr. Stevens, "who is an agent"; also Senate Bill No. 81, by Mr. Beach, nonforfeiture; also House Bill No. 112, by Mr. Metzler, redemption of capital stock; also Senate Bill No. 49, prohibiting child insurance, by Mr. Froeming. The same committee has recommended for passage House Bill No. 253, by Mr. Bletcher, regulating examinations of companies; also Senate Bill No. 145, by Mr. Roehr, regarding reinsurances of life insurances companies.

Miscellany.

The Equitable Life Assurance Society—Action of the Directors on the Mutualization Plan.

The directors of the Equitable Life Assurance Society, at a special meeting held on Tuesday, formally adopted the proposed plan for mutualization as reported by the special committee appointed last month. The committee included in the report submitted an amended charter embodying the new feature, with the recommendation that it be immediately adopted. The amended charter is to be submitted for approval to the Superintendent of Insurance of New York.

The following is the official announcement issued by the officers of the company:

The special committee appointed by the board of directors of the Equitable Life Assurance Society of the United States at its meeting on February 16, 1905, made the following unanimous report to the board of directors of the society:

To the Board of Directors of the Equitable Life Assurance Society of the United States:

The committee, consisting of Messrs. Valentine P. Snyder, James W. Alexander, James H. Hyde, Gage E. Tarbell, Cornelius N. Bliss, T. De Witt Cuyler and Chauncey M. Depew, appointed by the board of directors at its meeting February 16, 1905, submits the following report (the committee was appointed pursuant to the following resolution):

"Resolved, That in the opinion of the board the policyholders should be given the right to vote for directors, and that steps be taken for carrying this principle into effect at the earliest possible moment.

"Resolved, That Valentine P. Snyder, James W. Alexander, James H. Hyde, Gage E. Tarbell, Cornelius N. Bliss, T. De Witt Cuyler and Chauncey M. Depew be appointed a committee to arrange the details for carrying the step into execution, and in connection therewith the settlement of the allied question of indemnification of stockholders, and report to the board at a meeting to be called by the chairman for the purpose at the request of the committee, not later, however, than Wednesday, April 12, 1905."

Your committee held sessions on the following dates: February 21, February 24, March 7, March 10, March 14 and March 21.

The committee at its first meeting appointed Messrs. Colby, Guthrie, Culliver, Johnson, Hornblower and Root its counsel. The counsel have attended some sessions of the committee and have assisted in its deliberations.

The committee unanimously recommends that the charter of the society be amended to provide that twenty-eight of the fifty-two directors of the society shall be elected by the policyholders and twenty-four by the stockholders, the division each year being in the ratio of seven to six.

Your committee further recommends an amendment of the by-laws of the society to provide for monthly meetings of the board of directors instead of quarterly meetings as heretofore.

A form of amended charter embodying the foregoing recommendations as to the election of directors by the policyholders is submitted herewith to the board, with the unanimous recommendation of its immediate adoption by the board. Respectfully submitted,

(Signed) V. P. Snyder, James W. Alexander, James H. Hyde, G. E. Tarbell, Cornelius N. Bliss, Thomas De Witt Cuyler, Chauncey M. Depew.

At the meeting of the board of directors held at 3 p. m., March 21, 1905, at which the undersigned were present, the recommendations of the committee, including the amended charter, were unanimously adopted.

(Signed) James W. Alexander, James H. Hyde, Gage E. Tarbell, George T. Wilson.

The meeting was attended by thirty-four of the fifty directors of the society, two being dead. Those present were: J. W. Alexander, Chauncey M. Depew, H. C. Deming, Cornelius N. Bliss, Geo. H. Squire, Thomas D. Jordan, V. P. Snyder, Alvin W. Krech, Wm. Alexander, John J. McCook, James B. Forgan, C. Ledyard Blair, Brayton Ives, James H. Hyde, E. H. Harriman, Jacob H. Schiff, James J. Hill, Gage E. Tarbell, C. B. Alexander, T. De Witt Cuyler, Henry C. Frick, M. Hartley Dodge, J. F. de Navarro, Bradish Johnson, John A. Stewart, Alfred G. Vanderbilt, H. R. Winthrop, Geo. J. Gould, Geo. T. Wilson, Thomas T. Eckert, Wm. H. McIntyre, H. M. Alexander, David H. Moffat and Joseph T. Low.

The absentees, most of whom were away from the city, were: Louis Fitzgerald, Wm. A. Wheelock, Chas. S. Smith, M. E. Ingalls, A. J. Cassatt, T. Jefferson Coolidge, John Jacob Astor, Sir Wm. C. Van Horne, Marvin Hughitt, Levi P. Morton, August Belmont, D. O. Mills, Robert T. Lincoln, John Stone, Samuel M. Inman and H. C. Haarstick.

THE CRIMMINS COMMITTEE DISSATISFIED.

The committee of policyholders headed by John D. Crimmins received the announcement of the adoption of the plan embodied in the above statement with dissatisfaction, because the plan does not provide for the immediate election of a new board of directors. After a meeting of the committee on Thursday the following statement was given out by the secretary, Mr. Esselstyn:

The policyholders' committee met today, the following members being present: Messrs. Crimmins, Warfield, Morgenthau, Bloomingdale, Hubbell, Outerbridge and Stanchfield. The committee unanimously disapproved of the amendment to the charter which was adopted by the board on Tuesday, March 21, as not giving to the policyholders the immediate right to vote for directors of the society.

The committee continues in the opinion expressed in its resolution of March 15, that the charter should be amended, or other action taken, so that an election of an entire board of directors may take place at the earliest date possible, without awaiting the expiration of the terms of the present directors, and that thereby the policyholders may have the early benefit in the administration of the society's affairs of at least twenty-eight members of the board elected by the policyholders.

The committee has applied to the Superintendent of Insurance for a hearing upon the amendment to the charter proposed by the board, and is awaiting the answer of the superintendent to that application. The committee adjourned to meet on Friday or Saturday at the call of the chairman.

HEARING SET BY SUPERINTENDENT HENDRICKS FOR NEXT TUESDAY.

Superintendent of Insurance Hendricks has notified all concerned that he will give a hearing on the plan of mutualization adopted by the directors of the Equitable Life on next Tuesday at noon at his office in Albany. It is expected that counsel for the company and representatives of the Crimmins, Tull and other committees of policyholders will be present. Meanwhile the bills in the Legislature affecting the proposed mutualization are making slow progress.

A Law Affecting Sureties on Government Construction Contracts.

The Congress recently closed enacted a law intended mainly to give the United States a priority over other creditors in the settlement of claims arising out of contracts involving repairs to or the completion of public work. This priority was evidently based upon the fact that in the total estimated cost of the completed work the premium charged by the surety is included, and that in accepting the contract the United States at the outset bears the additional burden of paying the premium.

Under the old law the contractor and his surety were harassed by the institution of suits in different jurisdictions involving the same bond. In one case eighty-one separate suits were filed against the contractor and his bondsman in one jurisdiction, many more suits in another, and other claims were asserted on which suits were not filed. But this has all been changed under the new law. Now the creditor must sue in the Circuit Court of the United States in *the district* in which the *contract was to be performed, and nowhere else.*

The other features of the new law are:

1. The amount of the liability of the surety remaining after payment to the Government will be divided pro rata among the other creditors, in the event such amount is insufficient to pay *all claims in full.*

2. The creditors may intervene in any suit instituted by the United States against the contractor.

3. If the United States fails to bring such suit within six months after the final settlement of the contract, the creditors may themselves sue in the name of the United States.

4. The suit shall be commenced within one year after final settlement of the contract.

5. Only one action shall be brought. Any creditor may file his claim in such action.

6. In such a suit the surety may be relieved of further liability by paying into court the amount of the penalty of its bond, less any sum paid to the United States.

7. Personal notice of the pendency of the suit and their right to intervene shall be given to all known creditors and also published in a newspaper in the State or town where the contract is being executed.

The text of the new law is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the act entitled "An act for the protection of persons furnishing materials and labor for the construction of public works," approved August 13, 1894, is hereby amended so as to read as follows:

"That hereafter any person or persons entering into a formal contract with the United States for the construction of any public building, or the prosecution and completion of any public work, or for repairs upon any public building or public work, shall be required, before commencing such work, to execute the usual penal bond, with good and sufficient sureties, with the additional obligation that such contractor or contractors shall promptly make payments to all persons supplying him or them with labor and materials in the prosecution of the work provided for in such contract; and any person, company or corporation who has furnished labor or materials used in the construction or repair of any public building or public work, and payment for which has not been made, shall have the right to intervene and be made a party to any action instituted by the United States on the bond of the contractor, and to have their rights and claims adjudicated in such action and judgment rendered thereon, subject, however, to the priority of the claim and judgment of the United States. If the full amount of the liability of the surety on said bond is insufficient to pay the full amount of said claims and demands, then, after paying the full amount due the United States, the remainder shall be distributed pro rata among said interveners. If no suit should be brought by the United States within six months from the completion and final settlement of said contract, then the person or persons supplying the contractor with labor and materials shall, upon application therefor, and furnishing affidavit to the department under the direction of which said work has been prosecuted that labor or materials for the prosecution of such work has been supplied by him or them, and payment for which has not been made, be furnished with a certified copy of said contract and bond, upon which he or they shall have a right of action, and shall be, and are hereby, authorized to bring suit in the name of the United States in the Circuit Court of the United States in the district in which said contract was to be performed and executed, irrespective of the amount in controversy in such suit, and not elsewhere, for his or their use and benefit, against said contractor and his sureties, and to prosecute the same to final judgment and execution: Provided, that where suit is instituted by any of such creditors on the bond of the contractor it shall not be commenced until after the complete performance of said contract and final settlement thereof, and shall be commenced within one year after the performance and final settlement of said contract, and not later: And provided further, that where suit is so instituted by a creditor or by creditors, only one action shall be brought, and any creditor may file his claim in such action and be made party thereto within one year from the completion of the work under said contract, and not later. If the recovery on the bond should be inadequate to pay the amounts found due to all of said creditors, judgment shall be given to each creditor pro rata of the amount of the recovery. The surety on said bond may pay into court, for distribution among said claimants and creditors, the full amount of the sureties' liability, to wit, the penalty named in the bond, less any amount which said surety may have had to pay to the United States by reason of the execution of said bond, and upon so doing the surety will be relieved from further liability: Provided further, that in all suits instituted under the provisions of this act such personal notice of the pendency of such suits, informing them of their right to intervene as the court may order, shall be given to all known creditors, and in addition thereto notice of publication in some newspaper of general circulation, published in the State or town where the contract is being performed, for at least three successive weeks, the last publication to be at least three months before the time limited therefor."

Approved, February 24, 1905.

Obstacles to the National Supervision of Insurance.

(*The Insurance Register, Philadelphia.*)

* * Three inherent difficulties bar the way. The first of these is that the Federal Constitution confers upon the Federal Government no power to regulate or control the business of insurance as conducted by private enterprise, whether individual or corporate. The National Government derives all its powers directly from the Federal Constitution. It is a government of conferred, not of inherent powers. Those powers which are not conferred upon it expressly or by reasonable implication are withheld and remain in the hands of the people or their State governments. The Federal Congress possesses, by express constitutional provision, power to regulate and supervise all the instrumentalities of foreign and interstate commerce; but beyond that it has no power to regulate, supervise, or in any way interfere with private business enterprise, except in the way of proper police regulations. Notwithstanding the extent to which the business has grown, and notwithstanding the intimate relation which fire, marine, steam boiler, plate glass, liability and credit insurance bear to commerce, we believe that in none of its forms is a contract of insurance properly an article of commerce, and that the Supreme Court of the United States, in its original decision that insurance is not commerce, and in its half a dozen reiterations of that decision, wherein it has been followed hundreds of times by subordinate Federal courts and by State courts of appellate jurisdiction, was and is right. If this be the case, and we must remember that under our system the Supreme Court of the United States is the "court of last conjecture" on all such questions, and its opinion stands until overruled by itself, no Congressional declaration can make that commerce which was not commerce before, any more than such declaration could change night into day. A formal declaration that a certain transaction is a commercial transaction, made by Congress for the purpose of laying the foundation for its passage of a statute not theretofore regarded as within the purview of Congressional power, ought to have no weight and influence with courts in passing upon the constitutionality of the act, if upon examination they find the transaction in fact not to be of the character so declared. If it were possible for Congress, by the expedient of a simple declaration, to extend its powers practically without limit, the entire and fundamental theory of our institutions would be overthrown. Until Congressional power is enlarged by a constitutional amendment we believe there is very little likelihood of any such national supervision as is sought by its advocates, such supervision as would relieve the business, whenever it passes State lines, of State control.

The second difficulty is that even though the Supreme Court should so far abdicate its functions as to allow Congress, by a declaration that insurance is commerce, to overturn its solemn adjudication to the contrary, there would still remain the difficulty that the making of a contract of insurance is a local and not an interstate transaction, even when the policyholder and the insurance company are domiciled in different States. In the Paul and Virginia case, although the company was a company of New York, and the property insured was located in Virginia, and the insured resided in the latter State, the court held that the transaction was local, not interstate. Although the company was created by the State of New York, and performed its principal executive functions there, in the placing of this contract it had through its agent left its domicile, gone to Virginia, and there transacted the business of making this contract of insurance. So, even had the court been of the opinion that the policy in question was an article of commerce, it would still have held the transaction to be local, not interstate. This decision has been followed at least once in the Supreme Court of the United States and many times by other Federal and State courts. We summarized these decisions a few years ago in this paper, in a series of articles under the heading "The Situs of an Insurance Contract." As a result of the decisions it may be stated as a general proposition that the weight of authority is to the effect that the place of an insurance contract is where the application is made, the policy delivered and the premium paid. If, therefore, the transaction of the business of insurance is not interstate when companies cross the border lines to do business, it cannot come within Congressional control by virtue of a constitutional power to regulate interstate commerce.

The third difficulty is that almost certainly public sentiment in the various States is such as to make it most unlikely that their Congressional and Senatorial representatives will attempt to pass laws to deprive their respective States of the power to tax these companies and thereby cut off so much State income. To so far change public sentiment as to bring about the passage of desirable Congressional legislation for the establishment of national supervision on broad and wise lines, such as would properly restrict the power of State legislatures and insurance departments, even if the above mentioned difficulties, which we regard as probably insuperable without an amendment, were out of the way, would in our opinion require a long course of public education.

A Little False Economy and Its Consequences.

Some of us Americans have a wretched trick of doing a thing excellently well for the most part and skimping on some essential detail. That is why we see in our cities massive stone posts topped with a dinky galvanized iron cornice, or a substantial brick building with a wooden porch. That a chain is no stronger than its weakest link was again shown in the fire which caused great damage to and in the Congregational House at Boston, and to which the report of the Boston Manufacturers' Mutual for February devotes the following instructive considerations:

The building is of brick, stone and steel, eight stories in height, with basement and sub-basement, floors and partitions of terra cotta, and the whole is a good example of so called fireproof construction. The building is occupied mainly for miscellaneous offices, but there is a large book store on the lower floor and a printing office on the upper floor.

A policeman saw flames or the light of them in the seventh or eighth story window of this building and rang in an alarm. On reaching the building the firemen found fire in every story and the corridors so full of smoke that it was difficult to get at the fire. Water was first put on in the basement, and then the men worked up through the building as fast as possible.

Three thirty pair telephone cables (sixty wires each) came from the street through the basement and thence up, one cable going nearly to the top, the others stopping lower down, the wires branching and supplying telephones in the various offices. These cables were carried up through a hardwood varnished box about 5x16 inches square. The box ran from the basement to the top story through a tier of small offices just off the hallway near the main elevators and made a continuous flue through all the floors. There was no vent at the roof. This box was practically destroyed from top to bottom.

In the eighth story a small storeroom, containing paper stock for the printing office, was destroyed and the finish from an adjoining hallway and a part of the floor were also consumed. Some damage was done in a small office through which the box came up. This fire was probably conducted either to or from the box by the burning of the insulation on a telephone table.

In the seventh floor two small connecting rooms were completely burned, there being very little combustible material of any kind left there. On the floors below less damage was done, but in each room through which the box passed the fire got out of the box and did some damage. The dense smoke left bad marks on the walls throughout the hallways. This section of the building was more or less wet down. The total loss was first estimated at from $20,000 to $30,000, divided about equally between the building and the contents.

The cause of the fire is unknown, but it is almost certain that it did not come from electrical causes. The weight of evidence indicates that the fire probably started on the seventh or eighth floor in one of the rooms and that as it burned it got into the cable box, igniting the cable, with the result that burning pieces fell down through the flue, spreading the fire to all floors. The wires in the telephone cable have rubber insulation with an outer winding of jute and tape, and when once well ignited burn freely and with much heat, thus accounting for the almost total destruction of the enclosing wooden box and the spread of the fire to all floors. The electric light wires for the building played no part in the fire, as they were entirely separate from the telephone wires and were carried in iron conduits.

There is also no regular watchman in the building, but an engineer on duty. He had been on the top floor at 10 o'clock and found no trouble. At about 2 o'clock he had gone to the street door, passing close to the point in the basement where the fire later burned, but saw no evidence of trouble. He only knew of the fire when the firemen broke into the building shortly after 2 o'clock on the morning of February 11.

It will be manifest that the so-called fireproof quality of this building was taken in part from it by the construction of a

wooden flue where a concrete flue with a vent at the top would have wholly avoided this danger, and even in a wooden flue a stop at each floor might have limited the fire to the floor on which it originated.

Opinions of the Press on the Dryden National Insurance Bureau Bill.

SUCCESS IMPOSSIBLE UNLESS UNDERWRITERS WORK.

(*Baltimore Underwriter.*)

Like all other bills to supervise insurance companies heretofore introduced in Congress, this bill invites criticism and suggestion from the insurance profession. Whether in that respect it will be more successful than its predecessors remains to be seen. It was the indifference shown by insurance men, and the failure of officers of the leading insurance companies to attend on the committee considering the Platt bill, that did more toward the postponement of consideration than all the opposition from press and persons in the profession.

It is to be hoped that Senator Dryden will be more successful than others have been, who endeavored to get attendance of insurance men before the committee, and unless he is there will not be a "ghost of a chance" to have the bill considered and reported.

It is not opposition so much as indifference that endangers the bill. A committee of Congress expects opposition and is prepared to hear and weigh arguments, but an indifference manifested by non-attendance is a disrespect to the committee and to the measure, which is resented by pigeonholing. An experience of several years and several Congresses enables us to advise Senator Dryden that more work is required out of than in Congress, with insurance men than with Congressmen.

WILL ENCOUNTER DETERMINED OPPOSITION.

(*United States Review.*)

But notwithstanding the general excellence of Senator Dryden's measure and the great desirability of a system of salutary national supervision as a deliverance from most of the evils and burdens belonging to the heterogeneous arbitrary exactions of the existing system of State supervision, it is evident that any bill providing for such relief by Congress must encounter most determined opposition on the part of the several States; first, because of the jealousy with which the States would insist upon maintaining all the rights and powers which they have always exercised in matters of domestic concern, and especially in regard to corporations of other States that seek to do business in their respective limits, and second, because of the considerable political patronage and influence which attaches to the present system of State insurance bureaus.

COVERS THE GROUND THOROUGHLY.

(*Insurance Herald.*)

All in favor of securing Federal supervision of insurance will welcome the action of Senator Dryden, who, on Monday, introduced a carefully prepared bill that seems to cover the ground very thoroughly. The Prudential chief explained initially that he had no intenion of pressing the measure to final action at the present session. His aim was to pave the way during the recess in the hope of a successful issue during the next Congress. Many constitutional lawyers as well as the administration authorities are in hearty accord with the purposes of the measure. During recess an opportunity will be afforded to remedy any defects that may be pointed out and no doubt many will be found. Senator Dryden invites criticism of the bill in any of its provisions. Some of the most direct benefits the sponsor of the measure expects to be derived from its passage may briefly be summarized as follows: Increased security of insurance to twenty million policyholders; decrease in the cost of insurance; increased returns to policyholders; decrease in the burden of taxation; diminution of a vast amount of needless clerical labor to meet the requirements of some fifty different States and Territories, and consequent decrease in expense rate; stamping out of fraudulent insurance enterprises.

INTRODUCTION HAS ALREADY RESULTED IN GOOD.

(*Insurance Leader.*)

The introduction of the bill by Senator Dryden has already resulted in much good. The great metropolitan dailies have taken up the question, and are discussing it in their editorial columns. The two leading morning papers of this city have discussed the question editorially at some length. From this discussion throughout the country will come a better understanding on the part of the public, and with this understanding will come a demand for Congressional action, and ultimately, let it be hoped, result in placing insurance where it belongs, namely, under the supervision of the general government. Then the peanut politician will no longer be able to prey on the vast insurance interests of the land.

SQUARELY MEETS THE STATE SOVEREIGNTY ISSUE.

(*Insurance.*)

Now, the most striking thing in this draft by Senator Dryden is that, first among all advocates of Federal supervision, he proposes to grapple with the difficulty of conflict with the sovereignty of the State by enacting that the certificate of the Federal bureau shall carry "power and authority to transact such interstate or foreign business in any and all parts of the United States." He does not undertake to say that a State shall not admit any outside company to which the Washington bureau has refused a license; but the declaration that a company licensed from Washington may go anywhere, with or without the consent of the supervision now existing in the State, could not be more unmistakably expressed. The issue will thus be squarely made; if such a provision is enacted, it will be an issue upon paper until some company which a State authority rejects attempts to use the Federal certificate, and such a concrete case may be long in coming—but the declaration will be there. So many months in advance, it is not worth while to discuss the feasibility of thus subordinating the power of a State on its own territory.

REVOLUTIONARY IF APPROVED BY THE SUPREME COURT.

(*Insurance Register.*)

The mere fact, therefore, that Congress declares insurance to be commerce, and the issuance of certain policies to be interstate or inter-country transactions, cannot rightfully be regarded by the courts as a satisfactory reason for acceptance of the truth of such declaration. The opinion of the members of the national legislature will, should the Dryden bill be enacted and approved, and its constitutionality tested, be entitled to receive respectful consideration by the court, and will undoubtedly be so treated; but this cannot exempt the judges from the very solemn duty of considering the question again on its merits and of deciding the declaration to be ill founded, if in verity and truth they so find. If such a declaration were to be given controlling weight, then, indeed, the precedent would be revolutionary, and the entire theory of the Federal and State governments would be either overthrown or capable of being overthrown whenever Congress should so desire.

WOULD NOT BE APPROVED BY THE PEOPLE.

(*Insurance Post.*)

Some of the sections of this new bill for the national regulation of insurance will make the State insurance officials sit up and take notice. One, for instance, provides that if a company is licensed by the national superintendent it "shall have power and authority to transact such interstate or foreign business in any or all parts of the United States." This means that any regulations prescribed by a State may be overriden, no matter how acceptable to the people of that State, if the condition objected to is approved by the national superintendent. The proposed bill makes $100,000 the minimum of capital stock. A company with that amount would be approved by it, and could do business in the several States that prescribe $200,000 as the minimum capital. Many States limit the number of lines any one company may write. Approval by the national superintendent of a company hailing from a State permitting a company to write all lines would enable it to override local regulations against multifarious lines of insurance. State regulation has often been carried to the extreme, but the people would be unwilling to surrender such regulations as these. The strongest opposition to the proposed measure will come from the State departments, and this provision seems to put a club into their hands.

AFFECTS THE BALANCE OF OUR FEDERAL SYSTEM.

(*Journal of Commerce.*)

The reasons why the bill should be presented by a Senator who is the head of a large insurance company, and why it may be

favored by others engaged in that business, are obvious. It is not so much that they desire Federal regulation as that they wish to escape the regulation, restriction and burdens imposed by the different States with their varying laws and their perplexing requirements. * *

But the question is a serious one as affecting the balance of our Federal system. If insurance extending beyond the borders of a State is to be treated as interstate commerce, where is the line to be drawn? Banking may be brought completely within jurisdiction of Congress, apart from the function of supplying a part of the public currency. All trading, or buying and selling, and all contracts for service, so far as incurring and fulfilling obligations in different States is involved, may be conconstrued as interstate commerce and subject to regulation by Congress and supervision by the Department of Commerce and Labor. The authority of States over the rights and interests of their citizens, their duties and obligations under the law, would become circumscribed to a degree never dreamed of when certain specified powers were delegated to a central government and all others reserved to the States and to the people. The few words giving to Congress the power to regulate commerce among the several States and with foreign nations and the Indian tribes might almost be made the means of revolutionizing the Federal system in some of the relations of life in which the laws come closest to the people. This centralizing of power in the Federal Government by act of Congress and judicial interpretation is an aspect of the matter that makes it peculiarly necessary that it should be "carefully considered," not only by Congress, but by the people of all the States.

Saved by the Scissors.

GOLD FOR ASHES.

Notwithstanding that fire insurance proved itself equal to its obligations matured by last year's large fires, millions of dollars of property value was actually lost and the country is really that much poorer. Insurance companies are poorer by the millions they paid. It was but a transfer of money for ashes.

The property loss itself exists as a loss. These values were wiped out and insurance only distributed the loss among many, but in no manner restored anything. Fire loss is a waste and this country is the most wasteful in this respect of any on the globe, being twelve times greater than Great Britain, where high buildings, large areas and shoddy construction are prohibited by law, and twenty times greater than Italy, where the construction is still better and practically eliminating conflagration danger.—*Glens Falls Now and Then.*

PREFERRED CREDITORS.

A man's chief creditors are his family, because he is nominally responsible for their condition of financial dependence.

Such indebtedness is by right a preferred claim. That it is protected while he lives and at his death should be for him a first consideration.

Life insurance is the only method known among men by which such interests can be protected.

Until men know how to measure their "length of day," to "set the bounds" to which they may come but may not pass, risk and uncertainty of life will be a constant attendant upon each individual. Therefore, in making provision for the payment of your debts, don't forget the claims of your chief creditors.—*Hartford Life Bulletin.*

PAINFUL EXPERIENCE.

The young woman had just said no.

"Have you ever been rejected before, Mr. Huddleston"? she asked, sympathizingly and almost tenderly.

"Once," he said, a spasm of pain contorting his features at the recollection. "By a life insurance company. I tell you it hurt—that time."—*The Ingleside.*

YOUTH AND OLD AGE.

We appreciate youth the most when old age is at the door. Memory then unlocks the past, and we see what has gone crowned with the rainbow's prismatic halo. Duty also, which may not warm us to much enthusiasm at the moment, shines with new lustre when we behold it long ago performed. If you obtain a well planned insurance policy today it will reward you at once; its shield will be certain, and Care, the great consumer of joy and life, will depart, but, besides all this, you will have provided for yourself, when age arrives, something pleasing to look back to—something desirable to possess or to leave for those you care for. Why not think of this now?—*The Statement.*

PRESENT AND FUTURE.

What the future is to be is determined by the present to a very large extent. The bee and the ant may not know this, reflectively, but a monition of Nature, which even Materialists cannot fathom or account for, has told these little creatures what observation and reason demonstrated for us. Their telling, however, or being told to, becomes doing with them, while too many of the select of creation look at the truth and then go on in neglectful ways, apparently not caring what path they reach or what provision may be lacking on the too frequent day of dire need.

One who does not go moneyless to a distant city, but is careful to take with him his pocketbook, will recklessly live on against needs or risking needs that no casual journey can produce. In neglecting the lesser provision he may not be hopelessly at his wits' end. He may telegraph home or he may borrow temporarily of some friend the small sum desired. But ten or more years from now, when his earnings are decreased and his wants multiplied, what resource can he look forward to? There is absolutely none, unless the present hour or day has been devoted to some arrangement for the future.—*The Statement.*

POLICY LOANS.

"When a man raises money on his life insurance policy he certainly must feel that he is gambling with the future of the ones he loves."

We are not quite sure we have made the quotation word for word, but the above represents the sum and substance of a very true statement we recently read in some insurance paper, and we very much desire that the readers of the *Ingleside* should be impressed by the wisdom and truth of the sentiment expressed in the quotation.

The policies of most life insurance companies nowadays provide for what are termed "loan values." The loan values are generally applicable after a policy which carries some material reserve value has been in force for three full years, and they constitute a very wise provision for the exigencies of the future, but at the same time we must admit that it is a provision which many hundreds and thousands of policyholders have abused to the last extreme. The primary object of loan values is for the purpose of assisting an embarrassed policyholder to pay premiums and keep his insurance in force for the benefit of his family during an unexpected period of financial stress. So long as the loan value privilege is availed of only in this way it works nothing but good to the beneficiary or beneficiaries whom the policy is in favor of. The charging up of a premium as a loan against the accumulated reserve value under a policy may in many tens of thousands of cases be the means of continuing for the family the benefit of insurance protection which otherwise might be unavoidably lost.

In far too many cases, however, the privilege of availing of loan values is rankly abused. Men borrow money upon their policies under all kinds of pretexts, and when the necessity of so doing is not by any means imperative. When utilizing the collateral value of a life insurance policy in this manner the thoughtful policyholder cannot avoid the conclusion that he is virtually borrowing from his wife and children, and that the loan will have to be repaid by them at a time when they can least afford it. In this respect it is "gambling with the future of the ones he loves," and no loving husband or father should be willing to put himself in so unenviable a position.

Of course, so far as the life insurance company is concerned, it could have no better investment than a loan upon its own policy, if such loan be confined to a reasonable proportion of the accumulated or reserve value of the contract; but it must not be forgotten that just so long as such loan remains unliquidated the amount of effective insurance under the policy is materially reduced, and the policyholder who wishes to provide his wife and children with a small competency is virtually depriving them of a large part of the benefit which the insurance ought to secure to them. Policyholders generally obtain such loans with a bona fide intention of paying them off at an early date, but in the vast majority of cases they are not so paid off until the widow herself has to repay them out of her all too meagre portion.—*The Ingleside.*

IS YOUR WIFE ASSURING YOU?

A man once said that his reason for not assuring was that his wife was rich enough. He thought himself lucky to have married an heiress who could provide for him and their children.

Oh! I said, then your wife is your insurance company? That is, she will be able to make good the money value of your loss to your family. But unless her estate is as safely invested as the assets of a life assurance company and is large enough the company can do it better.—*I. L. Register in the Equitable News.*

MAN AND MULE.

The mule—he is a gentle beast;
And so is man.
He's satisfied to be the least;
And so is man.
Like man he may be taught some tricks;
He does his work from 8 to 6;
The mule—when he gets mad he kicks;
And so does man.

The mule he has a load to pull;
And so has man.
He's happiest when he is full;
And so is man.
Like man he holds a patient poise
And when his work's done will rejoice.
The mule—he likes to hear his voice;
And so does man.

The mule—he has his faults, 'tis true;
And so has man.
He does some things he should not do;
And so does man.
Like man he doesn't yearn for style,
But wants contentment all the while.
The mule—he has a lovely smile;
And so has man.

The mule is sometimes kind and good;
And so is man.
He eats all kinds of breakfast food;
And so does man.
Like man he balks at gaudy dress
And all outlandish foolishness.
The mule's accused of mulishness;
And so is man.

—*St. Louis Globe-Democrat.*

BE BRIEF!

If in business you'd succeed,
Rise beyond the clutch of need,
You must follow up this lead,
Be brief!

Other men have business, too—
Steadily your point pursue—
But keep future calls in view.
Be brief!

In a frank, good natured way,
State your business—"say your say!"
Get your answer—then, "Good day!"
Be brief!

—*Ernest Neal Lyon in the Equitable News.*

A QUICK CURE.

"Is your father well now, Johnnie?"
"Oh, yes; pa got well all on a sudden like, yesterday."
"Did he take——"
"No, he didn't take no physic. He just heard my mother's mamma asking if his life insurance policy was in a safe place, and he was up in a pair of minutes."—*Equitable News.*

WHEN IT WOULD BE NEEDED.

Hewitt—How did the prisoner take his sentence?
Jewett—All right; he said he would get out the same time his twenty year endowment insurance policy matured.—*Smart Set.*

EQUITIES IN LIFE INSURANCE.

The equities in life insurance have evolved in step with the advancement of the science. This goes without saying. Necessity has demanded that they should, and the companies have been as fast to incorporate them in their policy contracts as they have to discover them.

It will perhaps be new to some to be told that in every large company experts are constantly at work trying how they may safely liberalize policy conditions. No company in a rut can succeed. Each must keep in the front rank of the business. Competition alone would demand this if there were no other incentive. But there are other promptings. In no system of economics is there more business pride among managers than in life insurance. Those who direct the affairs of the business are of necessity broad minded, dealers in large factors, constantly guided by the laws of average and mathematics. It is necessary that they be courageous, yet cautious; bold, yet not too bold; alert, and at the same time conservative. Holding in keeping the interest of countless widows and orphans, such men must realize responsibilities and meet them.—*Hartford Life Bulletin.*

LANDED!

We chased 'em, and we caught 'em,
And we told our story fine;
Then got our cash in settlement,
As they signed the dotted line.

—*Security Socius.*

JOSH BILLINGS ON INSURANCE.

I kum to the conclusion lately that life was so unsartin that the only way for me to stand a fair chance with other folks was to get my life insured, so I kalled on the agent of the Garden Angel life insurance company and answered the following questions, which were put to me, over the top of a pair of spectacles, by a slick old fellow, with a round gray head on him as was ever owned: "Are yu a mail or femail? If so, state how long yu have been so. Had yu a father or mother? If so, which? Are yu subject to fits? and if so, do yu have more than one at a time? What is your precise fiting wate? Did yu ever have any ancestors? and if so, how much? Du yu have any nightmares? Are yu married or single, or are you a bachelor? Have yu ever committed suicide? If so, how much did it affect yu?" After answering the above questions like a man, in the affirmative, the slick, little, fat, old feller, with gold spectacles on, said I was insured for life, and probably would remain so for years. I thanked him and smiled, and retired.—*Journal of Medicine and Science.*

A MAVERICK.

An intelligent Chink of Chefoo,
Having nothing whatever to do,
He had the assurance
To apply for insurance
With Wun Lung where he oughter had two.

—*National Life Messenger..*

THE PROPER COURSE.

It used to be common to believe—and some believe now—that if an individual really knew what is his best and highest course to pursue, he would at once pursue it. But this depends almost altogether on who the individual is. It is even doubtful if those who are most anxious to keep on the correct track would always do so if there were no mist before the vision—no uncertainty about it—to be encountered. For we are all wonderfully made, morally as well as physically, and can calculate our true orbit better than we can keep or follow it. Horace Mann, the great teacher, once remarked that "ten men have failed from defect in morals where one man has failed from defect in intellect." In other words, none of us does as well as he might do, though we may not notice at first what has shunted us from our intended course.

"Let him that standeth," therefore, "take heed lest he fall." But even the acquired practical sense, as well as Scripture, asserts the need of watching our foothold. We certainly shall not stand firmly without the best support within our reach. Few can have the support of towering wealth; but all can have the force of accumulated gains, properly husbanded and properly applied. Through insurance this work is accomplished, and so well is the work performed that even towering wealth craves its aid. How much more then should it appeal to those with slight capital, and to those even who have what may seem at present an assured competence.—*The Statement.*

Life Insurance Business in Colorado in 1904.

(Compiled from a Preliminary Report by the Superintendent of Insurance.)

COMPANIES.	Policies Issued.		Policies in Force Dec. 31, 1904.		Premiums Received.	Losses Paid.
	No.	Amount.	No.	Amount.		
Ætna	239	$494,339	1,405	$3,065,193	$111,646	$51,000
Bankers Res., Neb.	35	95,000	97	313,000	12,567	.....
Central Life	246	546,500	292	631,000	19,269	5,000
Conservative	450	1,097,702	877	2,168,469	90,019	12,345
Des Moines	60	73,500	190	266,000	8,102	2,000
Equitable, N. Y.	892	2,158,232	3,251	9,596,809	324,767	68,947
Federal	.....	.....	.....	.....	.....	.....
Fidelity Mutual	100	313,248	369	1,114,479	39,688	8,000
Franklin, Illinois	25	38,198	68	101 554	3,668	1,500
Germania	194	279,558	1,070	1,774,616	84,490	44,212
Hartford	358	403,400	1,219	1,651,073	50 742	20,000
Home, New York	81	208,500	443	1,091,522	42,773	4,500
Manhattan	194	246,400	528	845,334	31,472	2,000
Mass. Mutual	110	218,000	565	1,378,761	53,668	9,258
Minn. Mutual	7	13,972	56	160,606	5,747	12,000
Mutual Benefit	230	545,499	1,244	3,620,729	141,743	23,557
Mutual, New York	1,066	2,003,645	5,956	15,037,669	430,146	157,654
Mutual, Illinois	40	110,000	37	105,500	2,675	1,000
National, Vermont	143	255.634	440	957,570	36,838	19.000
National, U. S. A.	237	393,007	531	647,513	42,552	4,554
New England Mut.	81	214,677	669	2,184,900	69.834	16,057
New York Life	1,758	3,236,131	7,691	17,471,748	680,850	208,742
Northwestern Mut.	649	1,460,833	5,285	13,929,340	456,612	153,460
Northwestern Nat.	229	266,224	1,425	1,374,635	79,278	21,043
Pacific Mutual	1,393	935,198	1,806	2,188,878	67,201	24,698
Penn Mutual	175	642,834	1,201	4,302,969	172 878	25,984
Phœnix Mutual	176	325,215	634	1,070,192	43,295	12,632
Provident L. and T.	97	210,820	210	642.162	35,673	.....
Provident Savings.	106	381,410	483	1,622,811	55,453	5,500
Prudential { Ind.	12,672	2,017,115	29,745	4,230 346	160 220	43,231
Prudential { Ord.	1,203	1,295,393	2,831	3,446,809	128,887	17,500
Reliance	14	19 500	14	19,500	677	.....
Security Mutual	63	99,749	120	223,479	4,813	1,000
Security T. and L.	105	365,725	275	793,992	30.134	3,386
State Life	181	570,442	501	1,589,028	50,631	.....
Travelers	103	204,447	640	2,211,781	64,793	91,362
Union Central	127	337,000	694	1,511,757	68,789	8,000
Union Mutual	81	132,223	560	926,017	32,693	8,926
United States	376	675,845	1,154	2,379,92	91,426	43,500
Washington	130	283,830	356	644,607	21 502	3,500
Total, 1904	24 426	$23,168,945	74,962	$107,332,268	$3,848,213	$1,135,048
" 1903	23,731	23,148,521	65,945	98,947,811	3,662,738	1,082,708
" 1902	19,963	21,048,237	56,705	89,148,397	3,290,151	793,025
" 1901	16,050	18 676,013	46,255	77 928,280	2,873,350	972,911
" 1900	15,630	15,549.296	40,482	70,171,171	2,298,432	790,922
" 1899	13,058	14,889,961	34,599	63,302,380	2,054,097	883,478
" 1898	9,703	11,804,025	28.860	56,251,741	1,708.935	486,084
" 1897	6,328	9,629,726	23,750	50,378,748	1,589,499	438,779
" 1896	6.978	10,287,148	22,315	48,690,333	1,538,034	466,175
" 1895	8,306	9 873.207	21 120	47,214,955	1,487,305	491.526
" 1894	3,450	10,338,345	14,217	45,507,498	1,515,732	570,248

Life Insurance Business in Ohio in 1904.

COMPANIES.	Policies Issued.		Policies in Force Dec. 31, 1904.		Premiums Received.	Losses Incurred.
	No.	Amount.	No.	Amount.		
Companies of Ohio.						
Columbia	1,623	$2,713,953	1,551	$2,661,405	$28.000	$9,952
Union Central	2,982	4,867,321	26,410	39,384 985	1,711,907	300.649
Western and { Ord.	1,568	1,495,000	3,005	2,880,250	92,425	25,500
Southern { Ind.	81,788	9,946,616	172,851	18,265,682	844,071	237,255
Totals	87,961	$19,022,890	203,817	$63,192,322	$2,676,403	$573,356
Companies of Other States.						
Ætna	1,432	$2,216,216	9,100	$15,576,958	$607,430	$246,112
American Central	122	346,792	221	557,098	15,261	8,000
Berkshire	275	676,000	1,843	4,842,407	140,122	65,773
Columbian Nat.	71	280,000	69	273,500	10,400	.....
Connecticut Gen.	146	236 437	504	714,899	24,736	2,197
Connecticut Mut.	497	1,075,956	4,877	12,387,530	365,448	334,635
Equitable, Iowa	875	1,122,965	3,583	4,640,185	177,274	26,364
Equitable, N. Y.	3,826	8,452,818	18,935	45 670,673	1,600.377	448 780
Federal Life	188	307,619	416	669,779	18.964	4,547
Fidelity Mutual	499	900,063	2,416	4,255.237	127,948	67,662
Franklin	230	330,725	589	1,000.995	40,171	3,053
Germania { Ord.	197	307,906	1,723	2,552,133	101,526	59,477
Germania { Ind.	....	.....	9	1,052	71	254
Hartford	149	162,000	1,994	3,821,996	143,862	152 000
Home, New York	721	968,630	4,072	5.656,017	218,297	121,746
Illinois	372	574,359	1,625	2,429.087	79,350	19,300
Inter-State	248	906,646	232	877,146	68.394	.....
John Hancock Mut.	2,417	4,073,940	13.670	23,836,715	845,603	138,082
Manhattan	312	581,932	3,328	4,517,881	169,904	56 1 6
Massachusetts Mut.	1,000	1,897,419	3,276	8,650,338	315,234	158.934
Metropolitan { Or.	10,030	7,546,469	28,601	23.001,566	942.393	130 903
Metropolitan { In.	100.012	16.240,320	485.181	67.348.218	2,209,153	672,250
Michigan Mutual	1,241	1,510,765	6,273	7,999.439	271,409	85,077
Mutual, Chicago	10	$13,000	13	$18,100	$538	.....
Mutual, N. Y.	5,617	10,958,200	31,032	67,437,715	2,074,228	$1,303.968
Mutual Benefit	1,709	3,608,242	12,154	26,523,936	953,213	580,660
National, Vt.	1,119	1,759,653	8,011	13,168,278	439,288	113,700
New England Mut.	491	924,408	3,265	6,571,529	213,530	52,995
New York Life	6,540	12 201,160	31,428	61,872,716	2,371,922	676,784
Northwestern Mut.	1,697	4,010,660	20,699	49,433,207	1,774,392	592,523
Pacific Mutual	248	456,151	1,226	2,096,790	81,947	12,517
Penn Mutual	741	1,970.674	5,535	15,293 278	582,143	130,908
Phœnix Mutual	450	698,271	3,337	5,604,603	237,206	66,998
Pittsburgh L. & T.	908	439,464	7 311	3,473,872	121,201	65,894
Presbyterian Min's	33	40,000	83	108,500	3 541	2,000
Provident L. and T.	423	968 865	3.714	8,661,974	313,365	68.042
Provident Savings.	524	1,614,921	2,051	6,217,592	208,035	78,900
Prudential { Ord.	8,782	8,300,149	24,806	26,229 994	896.679	152.134
Prudential { Ind.	120,008	15,869.698	336,140	41,861,180	1,604 266	448,251
Reliance, Pittsburg	69	122,500	73	138,500	4,922	.....
Royal Union	411	727,810	1,359	2,038,688	74,692	9.500
Security Mutual	765	1,135,844	1,700	2,703 609	92,310	15,601
Security T. & L.	188	273,503	888	1,282,615	65,569	26 591
State, Indiana	571	1,039,307	1,265	2.476,004	85,463	21,385
State Mutual	587	1.464,827	3,147	7,603,807	263,627	52,229
Travelers	924	1,971,330	3 667	8,176,173	223,212	100,460
Union Mutual	197	236,869	1,583	2,082,352	68.362	46,904
United States	355	730,410	2,309	3,993,034	129,279	18,000
Washington	428	713,234	1,958	3,224,262	129,402	29,003
Totals	278,655	$122,965,127	1081291	$608,973,157	21,505,660	$7,468,269
Foreign Companies.						
Canada, Toronto	689	$1,292,130	2,028	$4,414,505	$150,471	$9,000
Aggregate	367,305	$143,280,147	1287136	$676,579,984	24,332,534	$8,050,625
Grand Totals, 1903	378,414	$140,317,655	1187528	$626.660,954	22,191.555	$7,678,166
" 1902	383,134	135,157,411	1085993	586,825,446	20,337,943	6.731,155
" 1901	352,778	116,011,936	965,267	527,726,088	18,195,984	6,955,072
" 1900	332,888	108,709,234	851,680	481,106,907	16,225,428	5,591,042
" 1899	314,142	99,567.418	751,781	432,802,312	14,419 653	5,153 644
" 1898	257,651	81,914 189	635,069	383,848 200	12,756.431	4,979,458
" 1897	229,645	75,597,304	564,398	354,836 298	11.944,183	4,934.547
" 1896	214,747	67,405,201	511.974	333,999.725	11 221,395	4,719,193
" 1895	224,940	68,098,490	482,200	319,569,034	10,901,462	4,090,200
" 1894	328,084	82,989,057	456,692	302 666,336	10,105,406	3,762,161
" 1893	184,648	59,937,134	384,244	280,996,302	9,337,059	3,784,464

* Including industrial business.

Life Insurance Business in Louisiana in 1904.

COMPANIES.	Policies Issued.		Policies in Force Dec. 31, 1904.		Premiums Received.	Losses Paid.
	No.	Amount.	No.	Amount.		
Equitable, N. Y.	1,939	$5,937,454	8,453	$28,169,762	$988,445	$324,782
Fidelity Mutual	474	929 302	1,083	2,699,574	85.917	9,000
Franklin	343	456,637	872	1,399 684	47,261	6,344
Germania	47	204,600	287	975,912	35,019	24,459
Home	166	416,330	638	1,550,477	55,199	14,449
Illinois	120	246,205	274	620,503	24,463	2,082
Metropolitan	1,286	1,391,759	3,412	35,393.530	.....	63,086
Minnesota Mutual	20	58,500	63	258,600	10,035	.....
Missouri State	126	204,627	126	211,266	4,627	1,000
Mutual Life, N. Y.	2,325	4,437,207	10,379	23,933,606	817,164	305,090
New England Mut.	111	283,854	853	2,935,902	85,281	49,102
New York Life	3,605	6,786,168	13,692	33.133,891	1,146,733	468,477
Pacific Mutual	888	1,509,304	2,604	4,718,061	170,683	47,458
Penn Mutual	827	1,892,152	3,102	9,318,717	371,644	78,374
Provident Savings.	109	213,493	787	2,479 288	91,326	47,000
Prudential	367	786,827	1,099	2,832,669	104,183	13,000
Security Mutual	90	134,149	108	187,301	7.047	.....
Security T. and L.	65	79,750	291	470,861	22,845	7.000
Travelers	31	1,122,803	466	1,843.099	56,653	18,246
Union Central	207	878,350	1,132	4,551,259	179,748	68,127
Washington	328	497,041	820	1,324,823	45,351	38,273
Totals	13,474	$28,466,512	50,541	$159,008,785	$4,349,624	$1,585,349
INDUSTRIAL INSURANCE BUSINESS IN 1904.						
Life Ins. Co. of Va.	23,963	$2,609,650	77,270	$8,874,904	$371,515	$123 390
Metropolitan	23.852	3,550,080	78,709	11,826,570	507,207	134,843
Totals	47.815	$6,159 730	155,979	$20,701,474	$878,722	$258,233
Grand Totals, 1904	61,287	$34,626 242	206,520	$179,710,259	$5 228.346	$1,843,582
" 1903	56,392	31,464,955	185,319	131,874,445	4,612.881	1,519,291
" 1902	61 348	30,793,604	166,469	118,507.601	4,053.363	1,131,741
" 1901	55,912	27,958,105	151,595	104,892.138	3,564,986	1,105,203
" 1900	.....	27,742.022	.....	93,921,475	3,232,475	1,160,357
" 1899	54,711	20.374,628	115,118	79,607,168	2,732,168	1,507,808
" 1898	63.871	21,462,151	104,001	72,709,810	2,494,297	1.127,034
" 1897	54.399	19,120,246	86,202	65,098,760	2.345,438	658.949

We are indebted to the *Vindicator* for the returns of business in 1904.

Life Insurance Business in Vermont in 1904.

(Compiled from the Statement by the Insurance Commissioner.)

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received	Losses Paid.
Company of Vermont.						
National, Vt.	485	$760,482	5,107	$7,183,511	$303,438	$64,204
Companies of Other States.						
Ætna	108	$114,120	1,409	$1,619,007	$54,373	$36,074
Bankers	64	29,000	.....	.....	1,064	200
Columbian Natl.	103	53,750	54	26,750	2,503	5,000
Connecticut Gen.	409	478,578	3,280	3,517,751	121,030	43,066
Connecticut Mutual	83	132,072	781	1,346,885	43,793	14,016
Equitable	220	285,355	3,110	4,208,731	140,314	54,675
Fidelity	19	46,218	.....	.....	1,555	.....
Home	83	91,965	319	299,996	19,191	8,245
Manhattan	4	8,292	87	111,002	3,162	.....
Massachusetts	39	49,532	684	972,637	33,915	44,069
Metropolitan	989	574,710	3,137	2,223,192	115,759	28,620
Mutual Benefit	108	162,032	587	745,157	30,104	10,198
Mutual of New York	707	839,914	6,150	8,326,604	290,918	158,337
New York	701	1,087,233	4,192	6,920,010	306,506	114,765
Northwestern	154	323,000	1,972	2,991,973	120 121	43,829
Penn	33	72,948	144	228,345	13,316	2,000
Phœnix	139	136,709	1,687	1,714,951	70,438	35,878
Provid't L. & T.	32	57,000	90	195,000	10,446	.....
Provident Savings	7	7,000	196	256,687	9,771	2,000
Prudential	475	500 336	649	909,021	52,628	4,000
Reliance	6	6,000	.....	.....	181	.....
Security Mutual	73	18,642	126	140,753	5,947	2,000
State Mutual	42	88,042	453	680,841	27,571	14,126
Travelers	222	279,084	1,311	2,257,245	86,633	24,614
Union Central	43	53,500	396	509,740	24,832	3,000
Union Mutual	47	71,048	215	252,663	7,804	1,000
United States	67	71 843	314	336,270	18,376	5,000
Washington	54	59,827	201	198,442	8 937	1,500
Total, 1904	5,516	$6,521,232	36,651	$48,175,169	$1 924,680	$720,415
" 1903	6,444	5,429,883	32,380	41,111,908	1,499,145	683,059
" 1902	5,383	5 858,307	31,529	41,320,525	1,467,006	660.569
" 1901	4,802	5,558,558	28 803	38,631,433	1,359,285	598.937
" 1900	5,150	5,943,397	26,669	36,585,819	1,245,485	452,955
" 1899	4,144	6,539,563	25,529	36,062,421	1,297,921	369,594
" 1898	3,945	4,738,412	22,918	32,166,369	1,145,866	435,354
INDUSTRIAL INSURANCE BUSINESS IN 1904.						
Columbian Nat.	3,342	$447,828	846	$120,255	$7,121	$1,591
Metropolitan	6,384	1,215,726	18,399	3,152,438	112,765	18 293
Prudential	152	29,862	1,392	260,486	5,975	1,503
Totals, 1904	9,878	$1,693,416	20,637	$3,533,179	$125,861	$21,387
" 1903	5 959	1,053,213	19,791	3,412,924	109,380	19 284
" 1902	6,492	1,249,255	17,779	3,120,627	95,667	13,974
" 1901	5,893	1,110,157	15,053	2,558,652	79,283	13,083
" 1900	6,114	1,127,327	12,541	2,112,656	67,470	10,293
" 1899	5,180	624.957	9,762	1,480,615	51.119	13.514
" 1898	4,633	883,320	7,750	1,289,095	41,777	10,000

Life Insurance Business in Massachusetts in 1904.

COMPANIES.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Paid.
Companies of Massachusetts.				
Berkshire	$869,950	$11,168,894	$417,842	$151,160
Boston	*3,635,234	5,690,408	208,059	71,449
Columbian, Ord	4,521,500	6,188,250	207,260	12,500
John Hancock, Ord	4,147 979	16,258,164	748,397	144,153
Massachusetts Mutual	1,691,777	18,804,101	752.127	326,219
New England	3,527,919	30,295,337	1,112,578	632,108
State Mutual	3,078,691	30,070,383	1,186,178	676,387
Totals	$21,473,050	$118,475,537	$4,632,441	$2,013,976
Companies of Other States.				
Ætna	$703,479	$10,893,552	$447,574	$299,936
Bankers, N. Y.	555,614	3,096,655	107,044	19,600
Connecticut General	490,233	3,151,080	119,789	69,185
Connecticut Mutual	1,368.664	14,776,684	422,859	493.606
Equitable, N Y.	10,418,052	47,154,529	1,907.049	586,690
Fidelity Mutual	505,926	3,824,515	123,813	60,003
Germania	117.403	508,406	19,173	16,655
Home	384,010	3,338,318	135,784	49,184
Manhattan	1,094,296	4,373,469	155,473	72,319
Metropolitan, Ord	9.585,200	25,816,154	†	211,411
Mutual Life, New York	8,379,821	60,907,121	2,674,984	1,546,798
Mutual Benefit	3,433,927	29,189,205	1,069,794	735,425
National, Vt.	1,685.407	16,779,866	695 302	118.743
New York Life	14,042,353	65,581,153	2,738,864	821,239
Northwestern Mutual	3,370,851	37,192,830	1,478,152	405,575
Penn Mutual	$3,865,808	$24,829,029	$1,236,398	$348,613
Phœnix Mutual	568.519	3,372,740	137,105	79.949
Provident L. and T.	1,553 727	16 720,741	653.437	92,038
Provident Savings	1,013,798	3,235,312	131.646	51,006
Prudential, Ord	5,520,614	15,849.958	653,582	126,220
Security Mutual	380,485	1,035,560	32,890	13,660
Travelers	1,435,740	10,014,064	324,797	146,352
Union Central	1,626.235	7,803 398	323,835	52,203
Union Mutual	253.534	3,031,620	97,605	72,399
United States	265,380	2,410,715	79,883	45,470
Washington	517,164	2,367,516	99,357	53,897
Totals	$73,136,240	$417,254,197	$20,292,294	$6,588,302
Totals, 1904	$94,609,290	$535,729,734	$20,497,830	$8,602,278
" 1903	90,388,422	507,102 342	20 326.096	7,760,936
" 1902	90.613 502	484.324,891	18,905.642	7,673 704
" 1901	82,904.324	443,944,380	17,290,541	7,763,197
" 1900	73.829,624	416,283,739	15,828.352	7,230 404
" 1899	68,690,392	388,782,968	14,603.937	6,706.901
" 1898	53,090,274	341,794,927	12,816 002	6,298,555
" 1897	51,688,307	322.258,517	12,250,454	5,404,763
" 1896	41,047,972	301,275,452	11.019 258	5,454 636
" 1895	41,901 208	287,910,469	12 579.270	6,715.222
" 1894	40,061,235	273 740 319	12,045,652	4,452,551
" 1893	38,570,890	259,462,835	9,605,550	5,025,915
" 1892	36,793 890	246,196,439	9,174.759	4,882,608
" 1891	39.219,298	228,101,768	8,388,715	4.238,226
" 1890	36.380,401	222,464 435	8,186,584	3,642,929
INDUSTRIAL INSURANCE BUSINESS IN 1904.				
Columbian	$5,427,939	$3,148,303	$104.622	$33,223
John Hancock	15 283,562	55,104,602	2.364.462	760.302
Metropolitan	20,002.494	98,161,301	4,426,905	1,155,851
Prudential	9,036,083	21,711,493	845,493	247,056
Totals, 1904	$49,750,078	178 125 699	7,741,482	2 196,432
" 1903	49,079,470	169,467,414	6,200,438	2,088,819
" 1902	43,218,731	150,366,994	5,361,506	1,759.841
" 1901	45,489,002	142,061,210	5 048,773	1,774,818
" 1900	45 087.313	127,288,196	4,569,168	1,676,515
" 1899	40,356,742	108,344,830	4,093,839	1,397,329

We are indebted to the *Standard* for the returns of 1904 business.
* Includes industrial.
† Ordinary premiums included with industrial below.

Fire Insurance Business in Colorado in 1904.

(Compiled from Preliminary Report of the Insurance Department.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$1,649,955	$29,023	$18,356
Ætna, Hartford	2,740,705	42,640	9,263
Agricultural, Watertown	1,018,083	14,173	1,608
Alliance, London	2,109,672	31,769	14,162
American, Boston	175,825	2,760	1,430
American, Newark	1,889,891	28.127	5,489
American Central, St. Louis	1,010,455	16,140	9,281
Anchor Fire, Cincinnati	267,480	4,663	3,782
Atlas, London	2,171,251	34,719	13,007
Assurance Co. of America, New York	118,285	2,130	774
Allemannia Fire, Pittsburgh	519,410	6,099	1,681
American Fire, Philadelphia	689,461	10.455	4,081
British America, Toronto	1,773,483	34,591	8,476
British American, New York	532,565	8,445	4,722
Buffalo Commercial, Buffalo	33,775	475	.....
Buffalo German, Buffalo	473,540	6,552	3,883
*Caledonian American, New York	.....	.....	.....
Caledonian, Edinburgh	1,592,417	22,063	7,422
Centennial State, Colorado	502,922	5,328	665
Citizens, St. Louis	453,384	8,161	5,176
Commercial, Colorado	420,725	5,170	231
Commercial Union, London	2,786,700	43,751	14,443
Commercial Union, New York	519,623	7,141	3,011
Cologne Reinsurance, Cologne	320 931	4,881	1,831
Colorado Merchants & Farmers Mut.	66,795	808	127
Concordia Fire, Milwaukee	607,340	6,795	6,698
Connecticut Fire, Hartford	1,622,630	26,463	9,344
Continental, New York	5,936 820	75.942	22 203
Delaware, Philadelphia	650.782	11,743	6,174
Dutchess, Poughkeepsie	160,752	2,463	273
Equitable Fire and Marine, Prov.	751,791	9,671	2,092
Federal, Jersey City	65,680	745	.....
Fire Association, Philadelphia	2,746,163	50,868	28,672
Fireman's Fund, San Francisco	7,417,342	104,951	52,020
Firemen's, Newark	860,797	10,315	1,215
Franklin Fire, Philadelphia	633,229	8,391	4,704
German Alliance, New York	1,210,776	20,131	5,673
German-American, New York	3,445,980	51,103	24,187
German Fire, Peoria	396,584	5,720	3,624
German Fire, Pittsburgh	856,322	9,017	3,292
German, Freeport	1,668,783	27,682	11,339
Germania Fire, New York	1,404,415	18.813	6,002
Girard Fire and Marine, Philadelphia	769,210	7,490	1,591
Glens Falls, Glens Falls	743,330	8,617	3,105
Globe and Rutgers Fire, New York	1,063,067	13,632	1,982

COMPANIES.	Risks Written.	Premium Received.	Losses Paid.
Grange Mutual Fire, Colorado	$135,102	$910	$818
German National, Chicago	631,267	12 001	3,697
Hamburg-Bremen, Hamburg	408,791	6,225	1,928
Hanover Fire, New York	1,420,670	19,789	4.787
Hartford Fire, Hartford	6,266,816	94,711	25,534
Home Fire and Marine, San Francisco	2,619,874	48,049	16,183
Home, New York	6,276,196	85,942	59,798
Indemnity Fire, New York	334,876	5,778	5,696
Indianapolis Fire, Indianapolis	46,981	947	1,022
Insurance Company of North America	3,273,294	56,572	17,833
Kings County Fire, New York	100,331	1,258	.....
Law Union and Crown, London	740,923	11.455	9.490
Liverpool and London and Globe, Liv.	7,026,797	85,842	25,335
Liverpool and London and Globe, N. Y	243,869	3,525	71
London Assurance Corporation	1,468,592	24,687	8,865
London and Lancashire, Liverpool	1,936,775	31,147	15,567
† Loyal Mutual Fire, Colorado	.....	.....	.....
Lumbermen's, Philadelphia	612,972	7,429	1,542
Manchester Fire, Manchester	658,573	11,804	.....
Mechanics Fire, Philadelphia	781,467	9,452	1,846
Mercantile Fire and Marine, Boston	149,120	2,438	400
Merchants and Farmers Mutual, Col.	266,757	2,362	140
Merchants Mutual Fire, Colorado	889,269	8,502	862
Michigan Fire and Marine, Detroit	364,033	4,559	1,701
Milwaukee Fire, Milwaukee	246 796	4,029	1,492
Milwaukee Mechanics, Milwaukee	930,381	13,705	5,836
Moscow Fire, Moscow	628,498	9,371	4,457
Mountain Mutual Fire, Colorado	1,402,344	20,159	6,185
National Fire, Hartford	3,604,019	67,783	29,875
National Mutual Fire, Colorado	3,205,914	22,527	12,261
National Union Fire, Pittsburgh	745,831	10,003	210
New Hampshire Fire, Manchester	945,201	13,671	3,548
New York Fire, New York	472,801	5,991	754
New Zealand, Auckland	1,011,040	17,398	11.178
Niagara Fire, New York	1,579,505	27,843	6,739
North British and Mercantile, London	3,039,214	43,866	18,292
Northern, London	1,678,947	30,705	11,613
Northwestern Mutual Fire, Colorado	213,904	1,172	.....
Northwestern National, Milwaukee	2,291.145	26.083	3,884
Norwich Union Fire, Norwich	1,582,873	25,665	19,191
North River, New York	345 089	5,297	451
Orient, Hartford	910,859	14,947	4,186
Palatine, London	1,813,386	27,540	10,681
Pelican, New York	118,600	1,791	308
Pennsylvania Fire, Philadelphia	1,563,109	25,680	5,423
Phenix, Brooklyn	2,879,908	58,524	15,350
Phœnix, London	750,053	12,433	4,118
Phœnix, Hartford	1,660,747	28,336	8,036
Providence-Washington, Providence	2,147,150	26,726	12,674
Prussian National, Stettin	905,118	18,988	7,620
Queen, New York	1,208,795	21.605	3.702
Reliance, Philadelphia	735,376	12,274	4,939
Rochester German, Rochester	1,408,319	18,414	10,600
Royal Exchange, London	1,655,349	23,234	13,174
Royal, Liverpool	2,588,644	41,106	7.797
Scottish Union and National, Edinb'gh	1,768,067	29,951	13,788
Security, New Haven	702,373	10,304	2,535
Security Fire, Baltimore	54,525	654	.....
Skandia, Gothenburg	400,933	5.767	542
Springfield F. and M., Springfield	3,767,058	54,821	22,079
Spring Garden, Philadelphia	1,183,857	16,619	5,182
Star Fire, Louisville	15,950	233	.....
State Fire, Liverpool	302 249	4,217	382
St. Paul Fire and Marine, St. Paul	1,458,161	25,822	9,969
Sun, London	1,889,881	24,413	8.650
Svea, Gothenburg	1,285,920	21,264	11,356
Teutonia, New Orleans	531,580	8,892	3.669
Traders, Chicago	1,400,206	21,905	8,626
Transatlantic, Hamburg	1,197,463	20,934	7,463
Union, London	1,403,891	25,344	20,500
Union, Philadelphia	404,016	4,379	2,038
United Firemen's, Philadelphia	666,589	9,847	1,599
United States Fire, New York	244,250	3,028	816
Victoria Fire, New York	83,683	1,354	1,314
‡ Western Underwriters Ass., Chicago	.....	.....	.....
Western, Toronto	3,196,192	39 388	15,681
Westchester Fire, New York	891,651	11,732	5,436
Williamsburgh City, New York	601,407	8,658	3,463
Totals, 1904	$161,181,188	$2,401,793	$919,867
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$158,299,136	$2,355,574	$1,193,573
1902	147,557,161	2,229.473	1,092,368
1901	177,607,480	2,615,625	875 365
1900	131,818,456	1,966,329	743,331
1899	125,396,181	1,732,459	1,081,997
1898	101,820,867	1,554,136	551,963
1897	98 395,005	1,525,756	376,799
1896	95.711,246	1,557,627	1,155,580
1895	92,299,396	1,485,570	519,548
1894	85,520,077	1,428,619	794,651
1893	95,211,931	1,555,363	928,500
1892	101,654,117	1,723,563	827,062
1891	94,429,757	1,569,749	572,263
1880 to 1890	526,741,537	9,467,748	3,732,625

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 43..8 The percentage in 1904 was 38.3.
*All business reinsured. † No report.
‡Name changed to German National Insurance Company.

FAILURE TO PERFORM.

"More trouble arises from failure to perform than from acts really done. Life insurance has no personal worth while in contemplation—its value comes from possession," remarks an exchange. True. Of all the paving material of which the road to the Inferno is supposed to be composed, none probably has caused more tears and sorrow than the intentions of the men who were "going to" take out life insurance for the benefit of their families, and did not do so, or waited until sickness or death set their intentions at naught.—*John Hancock Satchel.*

HOW THEY LOST THEIR HOMES.

Through the gambling instinct.
They let their insurance run out.
They bought things they did not need because they were cheap.
They did not use good judgment or right proportion in their expenditures.
They subscribed for everything they could pay for on the instalment plan.
Money enough went down in drink and up in smoke to have saved the home.
The father always intended to get his life insured, but died without doing so.
They did not realize how easy it is to get into debt and how hard it is to get out.
They tried to do what others expected of them rather than what they could afford.
They thought it small to insist on having an agreement or understanding put in writing.—*Success.*

WORTH REMEMBERING.

"Misrepresent nothing. No permanent success was ever built upon a foundation of fraud."

"It is idle to wait for your ship to come in, unless you have sent one out."

Lord Nelson said: "I have always been a quarter of an hour before my time, and it has made a man of me."

"Work is the best birthright that man still retains. It is the strongest of moral tonics, the most vigorous of mental medicines."

"It is the man who fights, who holds on when others let go, and who never sees defeat even when suddenly overcome, that is demanded everywhere today."—*Equitable News.*

PNEUMONIA.

It was "a cough" which carried him "off,"
It was a coffin they carried him "off in,"
But it was from his coffer he coughed up enough
To pay his insurance, and that was the "stuff"
Which paid all his bills, called the creditors' "bluff."
In fact, while alive he was "up to snuff,"
So his kids were not left without "nothin'."

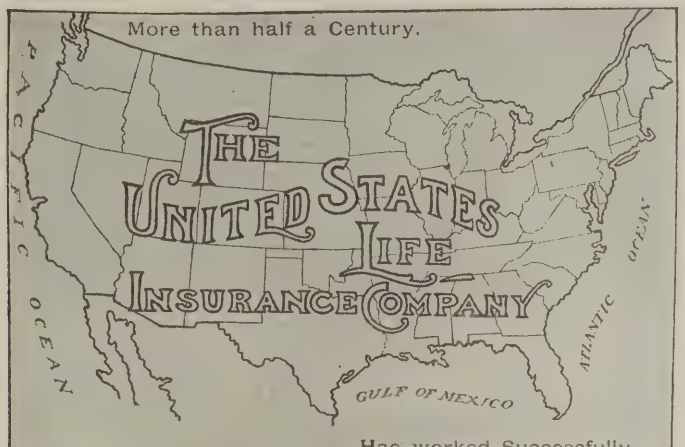
—*National Life Messenger.*

EXACT DEFINITION.

"Life insurance" is a term which does not exactly define the thing understood, although it has become sanctioned by long use "Life product insurance" would be more nearly descriptive. It stores up the product of life energy after that energy has become extinct, for the benefit of those dependent upon it for support. Inasmuch as no individual can be certain of life from one day to another, it obviously becomes the part of good judgment for those who have the welfare of their own at heart to avail themselves of the help of an institution which preserves the product of their lives for the worthiest of all purposes. Life insurance is a liability assumed by the company to the insured and their beneficiaries—a debt. There are no bad debts in good life insurance companies. Everyone gets what he paid for, and in most cases more than was called for by the agreement between the insured and the company.—*John Hancock Satchel.*

ET TU?

The greatest act of betrayal on the pages of history was made by a kiss. When you go home at night and greet your wife and little ones with kisses, conscious that if the messenger of death should claim you before the sunrise, you would leave them without even the meagre protection that a life insurance policy would give—well, what kind of kisses are those?—*Hartford Life Bulletin.*



JOHN P. MUNN, M.D.
President.

FINANCE COMMITTEE.
JAMES R. PLUM,
Leather.
CLARENCE H. KELSEY,
Pr. Title Guar. & Trust Co.
WILLIAM H. PORTER,
Pres. Chem. Nat'l Bank.

Active and successful Agents who desire to make DIRECT CONTRACTS with this well established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3rd Vice-President, at the Company's Office, 277 Broadway, New York.

THERE IS

Always a Good Opportunity for a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents

32 NASSAU STREET, NEW YORK CITY

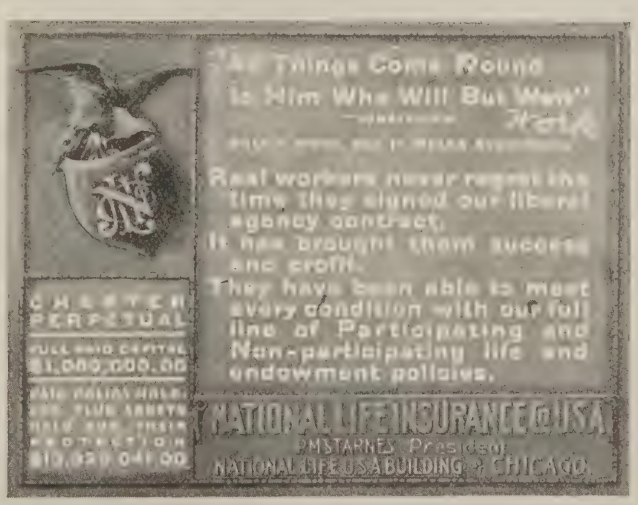
National Fire Insurance Company,

HARTFORD, CONN.

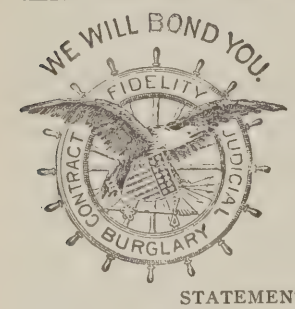
JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.



Bankers Life Insurance Company
of the City of New York.
Foster M. Voorhees, President.
Issues the most liberal policies,
Offers the best renewal contracts to Agents of
Standing and Responsibility.
For particulars apply
Home Office, 31 Nassau St., N. Y. City.



THE
United States
Fidelity and Guaranty
Company,
BALTIMORE, MD.,
16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

THE Fidelity and
Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $6,791,185.19. Net Surplus, $1,686,230.47
Losses Paid to December 31, 1904, $19,655,793.02.

CASUALTY INSURANCE SPECIALTIES:

Fidelity Bonds, Employers' Liability, Personal Accident, Health, Steam Boiler, Plate Glass, Burglary, Flywheel and Bonded List.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Vice-President-Secretary.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.
GEORGE W. ALLEN, Third Assistant Secretary.

1851 Phoenix Mutual Life Insurance Company 1904
OF HARTFORD, CONN.,
Issues every Desirable Form of Policy known to modern Life Insurance.
The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.
Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.
JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

The Columbian National Life Insurance Company
BOSTON, MASS.
INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.
PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

INCORPORATED 1851.
The Berkshire Life Insurance Co.
OF PITTSFIELD, Mass.
All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.
JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Sec'y.
Agencies in all the principal cities of the United States.

The Jefferson Fire and Marine Ins. Corporation
OF RICHMOND, VA.
Surplus Lines. Capital, $100,000.
DAVID C. TAYLOR, General Agent, 58 William Street, N. Y
Telephone: 3894 John.
FORTY-FOURTH YEAR.

What is the use of saying "the best company," or "the strongest company," or "the largest company"? They all say these things.
We say simply
The Penn Mutual Life Insurance Co.
OF PHILADELPHIA. Organized 1847.
That tells the whole story

Established 1782.
Phœnix Assurance Company, Ltd.,
OF LONDON.
FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.
Head Office for the United States, 47 Cedar St., N. Y.
A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, JR., Sec.

For a DEFINITE PROMISE to PAY, well defined, no experiment and taking no chances that technical legal definitions of what constitutes an accident will be used to defeat claims, BUY YOUR INSURANCE in and SELL the policies of

"THE CENTRAL," of Pittsburg, Pa.

Its management will tell you in YES or NO answers what it covers and what it does not cover. AGENTS WANTED.

For particulars address **The Central Accident Insurance Co., Pittsburg, Pa.**

FORTY-FIFTH YEAR

HOME LIFE

INSURANCE COMPANY

OF NEW YORK.

GEORGE E. IDE, President.

Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus,	1,134,104.25	1,362,315.56
Insurance in Force,		74,892,289.00

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1905, $831,256.62

CHAS. LYMAN CASE, Manager.

61 PINE STREET, - - - - NEW YORK

The Union Central Life Ins. Co.

CINCINNATI, OHIO.

THE GREAT POLICYHOLDERS' COMPANY

Assets, January 1, 1904,	$88,795,143.78
Liabilities,	32,615,645.78
Gross Surplus,	6,179,498.00

No fluctuating securities—Largest Rate of Interest—Low Death Rate.
Large and increasing Dividends to Policyholders.
Desirable Contracts and Good Territory Open for Live Agents.
Address JOHN M. PATTISON, President.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
NET SURPLUS	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas. WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

[FIRE]

German American Insurance Company New York

CAPITAL

$1,500,000

NET SURPLUS

5,841,907

ASSETS

12,980,705

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1904.

Assets,	held in the U. S. for the special protection of its American Policy-holders.	$8,520,383.40
Liabilities,		5,204,870.83
Net Surplus, January 1st, 1904,		$3,315,512.57

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488,98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President
EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer.
BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary.
T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.
January 1, 1904.

Assets,	**$1,152,330**
Surplus,	**439,609**

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

The Massachusetts Mutual Life Insurance Company.

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS—January 1, 1905	$37,071,297.57
LIABILITIES	33,770,674.54
SURPLUS	3,300,623.03

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, Pres. HENRY M. PHILLIPS, Vice-Pres.
W. W. MCCLENCH, 2d Vice-Pres. W. H. SARGEANT, Sec.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager of Agents for Southern New York.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

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THE highest type of man was incarnate in Jacob Lyman Greene. In all the ways of life he was a force for the best that is in it. He stood for righteousness in business, in the home, in society and in public affairs. Especially was he its champion in life insurance. His conception of the purpose of life insurance was protection for the family by the safest and simplest means. In contending for his ideal he fought with a courage and consecration which won him not only the triumph in his own sphere but the respect and admiration of those who followed other standards of duty. A great man has fallen, but his influence upon life insurance in its best estate will endure.

ONE of the New York daily papers in a fevered editorial calls upon the New York Legislature to immediately take action "looking toward a general investigation of the methods of all the life insurance companies chartered under the laws of New York." There does not appear to be any good reason for this manifestation of excitement, and we are inclined to attribute the fulmination to the ineradicable habit of our esteemed contemporary to see things from a saffron point of view. But undeniably there is a great deal of unrest prevailing among life insurance policyholders here and elsewhere, and it proceeds from the vagueness which envelopes the situation; not unlike that which accompanies groping in the dark. They are bewildered by the sensational press and the clamoring of that common scold and general vilifier, Senator Brackett, of Canfield's. What they really need is some light to tranquillize their minds, and the cheerful optimism of Director Chauncey M. Depew, whose statement of conditions in the Equitable Life we print elsewhere, is therefore welcome, for its tendency is to set the public right. There is nothing the matter with life insurance or its great companies, except that it is the mightest force of the age for good, and they will pay their policyholders every dollar that is justly coming to them. Meanwhile who among us in the insurance business can forbear the reflection now that it would have been a great deal better if those differences had been settled indoors? for now they are being settled in the open, with every noisy dog out of leash crying "Havoc!"

THE crazy season is on in the New York Legislature, and the appearance of a bill to forbid weekly, tri-weekly, monthly and quarterly newspapers from publishing "any report or statement as to the financial condition or resources or the value of securities held by life and fire insurance companies" unless said newspapers have a cash capital of $200,000 each, need not startle anyone. It can only excite admiration for the ingenuity of the brain that is capable of conceiving a burlesque on legislation so grotesque. The bill is made to apply only to the class of publications named above. It expressly exempts "recognized and established daily newspapers." Speculation as to the instigator of the bill would suggest that some daily newspaper sharp, jealous of the power of the weekly insurance press, is behind it. We cheerfully acquit our friend Ballard of complicity, as he is known to disbelieve in the potency of the insurance press. Can it be Sammis? We do not know who Mr. Riordan, the introducer, is, except that he is a political gentleman from the lower wards of this city, but we are sure that he was "put up to it" by the daily papers. We have no objection to furnish $200,000 capital for the privilege of printing the insurance news, but what we object to is the principle of the thing, and also to the following provision of the bill, which for the sake especially of our troubled brother of *Insurance* we would hate to see enforced:

Sec. 4. Any violation of this act shall be deemed a misdemeanor, and punished by fine and imprisonment, or both, in the discretion of the court. Said imprisonment not to exceed one year, and said fine not to exceed $10,000.

GREAT BRITAIN is the mother of life insurance, and until within a few years has led the world in the volume of business transacted. It is interesting to note how it stands now in this respect in contrast with the United States, which has taken first place. The recent publication of the life insurance accounts filed with the British Board of Trade, and the reception this week of the Connecticut Life Insurance Report—the earliest in the field as usual—opportunely supply us with the means of comparison. The figures are for the year 1904. It should be stated that the British accounts cover only the transactions of the companies of that country, and that the business of American companies there is not included. That business does appear in the American accounts. The comparison therefore really is between the amount of business done by British companies and American companies throughout the world. We have transmuted pounds into dollars, and here is the exposition:

	American Companies.		British Companies.	
	Ordinary.	Industrial.	Ordinary.	Industrial.
Insurance in force.	$9,451,069,028	$2,036,951,235	$3,431,640,870	$1,171,088,030
Premiums in 1904...	346,516,293	105,586,971	119,518,940	53,003,055
Losses Paid.....	127,730,627	30,344,185	83,636,520	19,724,635
Commissions	43,932,434	20,440,356	6,229,725	19,337,585
Expenses of management	20,746,630	13,710,301	10,157,380	9,672,960
Total disbursements.	286,281,490	76,972,034	130,670,895	48,263,200

The two totals of life insurance in force on December 31, 1904, are: American, $11,487,960,262; British, $4,602,728,900. The total assets are: American, $2,399,912,075; British, $1,523,241,260. Neither the assessment and fraternal business of the United States nor that of the

friendly societies of Great Britain is included in these returns. One other comparison is also interesting: the cost of doing the business. The ratio of office expenses and commissions combined to premiums of American companies is: Ordinary, 18.6 per cent.; industrial, 32.5 per cent.; British companies, ordinary, 13.7 per cent.; industrial, 43.4 per cent. The ordinary business costs the most in the United States and the industrial business the most in Britain. Considering the relative population of the two countries the proportions of volume are about what should be expected. A more impressive fact is that the two great English speaking nations have $15,089,689,163 of regular life insurance in force, and over $20,000,000,000 of life insurance of all kinds, while the aggregate of the rest of the world is less than $3,000,000,000.

Facts and Opinions.

Two suits to test the validity of the **Arkansas anti-trust law** were filed at Little Rock on last Saturday in the Circuit Court of Pulaski County by Attorney General Rogers and counsel. One is against the German Alliance insurance company, through its general agents, L. B. Leigh & Co., who since the law went into effect have written a policy for $2,000 issued to Joe D. Bach & Brother, and a policy for $500 issued to A. C. Read. The company will be backed in this litigation by the National Board of Fire Underwriters. The other suit is against the Hartford Fire, which finally decided to remain in the State in order to test the law independently of the National Board. It has retained Judge Joseph W. House to represent it. The Attorney General demands $2,000 penalty in each case. The cases will probably reach the Supreme Court before the close of this month. It is possible that the Continental will also bring a suit on the ground that, having received from the Insurance Commissioner a license for one year and filed its bond in compliance with the law then in force, it cannot yet be legally ousted from the State. While the Hartford Fire will not withdraw until at least a Supreme Court decision is reached, the German Alliance stayed over time but one day. The other agency companies besides the Hartford Fire which remain in the State are the Austin Fire, Houston Fire and Marine, Commonwealth of Dallas, Commercial of Houston, Southern of New Orleans, Universal of Memphis and Trezevant & Cochran of Dallas. There are four local stock companies, the People's of Little Rock, Security of Little Rock, Home of Fordyce and Travelers of Pine Bluff, and another, the Citizens of Clarksville, is being organized. The cash capital of these home companies is small. There are eight mutuals in operation. In all there are twenty-one companies, big and little—mostly little—exclusive of the New York Underwriters Agency, to do the new fire insurance business of Arkansas. The following is the text of the Attorney General's ruling that reinsurance of risks in non-licensed companies is a violation of the anti-trust law:

DEAR SIR—I am in receipt of your letter asking my opinion as to whether or not an insurance company authorized to do business in this State can reinsure its liability, in whole or in part, in companies not authorized to do business in this State under the Logan-King anti-trust law. In reply, beg to say that, in my opinion, no insurance company authorized to do business in this State can reinsure all or any part of its liability in any company not authorized to do business in this State without subjecting itself to the penalties prescribed in the Logan-King anti-trust law. A different construction of the act would render it inoperative and of no effect. Yours truly, ROBT. L. ROGERS, Attorney General.

In accordance with the practice of the **Mutual Life** insurance company for several years past, arrangements have again been made with several educational institutions for a series of **lectures on life insurance,** to be given by Mr. Jacob A. Jackson, of the company's educational staff. Mr. Jackson's engagements so far as announced are as follows: Ferris Institute, Big Rapids, Mich., April 4 and 5; Grand Rapids, Mich., April 7; Ohio Wesleyan University, Delaware, Ohio, April 13 and 14; Indiana University, Bloomington, Ind., April 18 and 19; University of Chicago, April 24, 25 and 26; Northwestern University, Evanston, Ill., April 27 and 28; Drake University, Des Moines, Ia., May 2, 3 and 4; Missouri State University, Columbus, Mo., May 8, 9 and 10; Cornell University, Ithaca, N. Y., May 15 and 16. In some instances the course will consist of three lectures, in others two. A brief synopsis of the three lectures is as follows:

The Making of the Premium—Life insurance in its simplest form, a hypothetical company, uncertainty of human life, certainty of the average length of life, mortality tables, effect of interest, the insurance fund, present value of future death claims, the net single premium, the life annuity, value of the annuity, the net annual premium, effect of lapses, effect of new members.

The Sufficiency of the Premium—A scientific premium sufficient for payment of all claims regardless of new members or withdrawals, illustrated by hypothetical company and verification table, elements of the premium—only two, mortality and loading; office of the loading, definition of reserve—merely the mortality fund; vast accumulations of legal reserve companies, all required for ultimate payment of existing policies, increase of reserve, equal to face of policy at age ninety-six, the limit of life.

The Test of Solvency—Taking account of stock, net valuation, future obligations against future receipts, the annual statement, impregnable safety of the legal reserve system, publicity the safeguard, sources of dividends, saving from mortality, amount at risk, gains from interest, saving from loading, some popular errors, no profit from lapses, new members not essential, meaning of large reserves.

The report of the special committee of the Minnesota Legislature investigating fire insurance rates in that State should be of service in **fighting anti-compact agitation** in other States. Basing its figures on official statements, it finds that the average rate in Wisconsin is 1.68 and in Iowa 1.59, both having anti-compact laws, while the average rate in Minnesota is 1.43, and in Ohio, with a State fire marshal law, 1.20. The committee also contradicts the claim that the country districts have been paying for the city losses, finding that during the past eleven years the losses in St. Paul, Minneapolis and Duluth have been 50 per cent. of the premiums; in other towns and cities 55 per cent., and in the rural districts 59 per cent. If anything, the cities have been paying for the country losses. Serious complaint was made of high commissions paid for business, it being held that this was one cause of the higher rates, as high as 35 and 40 per cent. being sometimes paid for preferred business. The report also says that there are too many high salaries and expensive officers, and recommends the limitation of commissions to agents to 15 per cent. It holds that this, with a fire marshal law, should materially reduce rates. One underwriter promised that if commissions were limited to 15 per cent. a 10 per cent. reduction in the average rate could be made. The recommendation that the law shall forbid the payment of more than 15 per cent. commission on any risk in the State is a corollary to the proposition that no discrimination is to be made between the commissions paid agents because they may or may not represent Union companies. The Union managers profess to be very much pleased over the suggestion, as it would put all the companies on the 15 per cent. commission basis, which is what the Union stands for.

A **suit against the Mutual Reserve Life** insurance company of New York for $3,866 has been brought by Robert Harrison, an attorney of San Francisco, Cal. His policy is for $5,000. Harrison figures it out in his complaint that the penalty for tenacity

to life according to the policy he has signed is disproportionate. If he lives seventeen years, being now sixty-three, it will cost him $13,256.26. Because of the activity of the company in the matter of mortuary assessments he bases his claim for breach of contract and wants his money back. Mortuary assessments, he says, have come thick and fast since 1889, five years after he took out his policy in favor of his wife. The policy has developed such an appetite for premiums, he claims, that it threatens to leave her penniless unless the court will give him relief. In the Chancery Division of the British Court of Appeals an application was made, March 10, on behalf of Michael MacDonald, a merchant in Charlestown, County Mayo, Ireland, for leave to issue a writ out of the jurisdiction on the Mutual Reserve. Counsel stated that the action was brought for the rescission of two policies of insurance effected on the life of the plaintiff for £2,000, and for an injunction to restrain the company from enforcing extra mortuary calls. The motion was grounded on the affidavit of the plaintiff, in which he stated that he was induced to take out the policies on the representation that the premiums mentioned to him would be the maximum charge, but that, contrary to such representation, additional calls had been made upon him from time to time, which he had paid under protest, as he was informed his policy would otherwise be forfeited. The Master of the Rolls made the order sought.

The report of the **examination of the Northwestern National Life of Minneapolis** by Actuary S. H. Wolfe for the Minnesota Insurance Department was made public by Insurance Commissioner O'Brien on Wednesday. The commissioner said in connection with his publication:

My judgment is that the financial condition of the company at this time is such that by a strictly honest and economical management of its affairs the actual rights of all its policyholders under each particular contract can be secured. But I do not think that under the present management the company can survive. The actuary of the company in his sworn examination conceded that the financial condition of the company had deteriorated during 1904 by an amount sufficient to wipe out any surplus existing at the beginning of the year. The particular individual responsibility for this condition of affairs is a matter to be considered by the future officers of the company in their efforts to reinstate it as a properly managed insurance company.

The commissioner called for the resignation of President Bechtel, Secretary Sackett and Vice President and Actuary Timme, and they resigned at a special directors' meeting late in the day. The commissioner further suggested that a committee of prominent Minneapolis citizens propose names of successors of those resigned. The committee, consisting of Mayor D. P. Jones, ex-Governor John Lind, Lucian Swift and J. T. Janney, held a long meeting on Thursday, at which Commissioner O'Brien and Actuary Wolfe were present. A report from the committee is expected today.

The **Metropolitan Surety Company** of New York city begins business the first of next week with $250,000 paid up capital, which is to be increased in the near future. Mr. John J. Caulett, who recently resigned as acting vice president of the Empire State Surety Company, and who has since devoted his efforts to the organization of the new company, is its president. He is a graduate of the Law School of New York University, a former newspaper man, and in 1902 was manager of the contract department of the United States Fidelity and Guaranty Company of Baltimore. Late in the same year he went to the Empire State. He is twenty-seven years old. David McClure is first vice president and general counsel of the company, and Andrew T. Sullivan second vice president. Frank A. Condon, who was in 1882 a clerk in the office of the Commercial Union insurance company, and later with a brokerage firm, and recently secretary of the People's Line of steamers, is secretary of the Metropolitan. The executive committee of the new company is composed of Hon. David McClure, chairman; Col. A. D. Baird, J. J. Caullet, F. A. Condon, Bernard T. Kearnes and Andrew T. Sullivan. The offices of the company are in the Potter Building, and it will write all lines of fidelity and surety bonds.

Fire Marshal Beers, of Brooklyn, in his recent report to Commissioner "Nick" Hayes, says: "Fires of suspicious origin are occurring more frequently as the population increases, and it is due to the fact that local fire agents will write policies without ever examining the risk. The consequences are an overinsurance and an inducement to defraud the insurance companies by means of a criminal fire." A number of Brooklyn agency managers have strongly repudiated his statement. One of them, Mr. Sherman Esselstyn, of the Hartford Fire and Commercial Union, says:

This is a very broad statement, and to anyone familiar with the business will appear rather absurd. It is probably true that many policies on household furniture and dwellings are issued without inspection, but in an office doing a large business an inspection of every risk written would be so expensive as to necessitate a very material increase of the rate on this class. Of course if an application for insurance on, say, household furniture is offered us for a larger amount than the location in which it is situated would warrant, we either decline at once or make an inspection before issuing the policy. But if a man intends to defraud an insurance company we fail to see how an inspection can prevent it. He surely at the time of taking out the insurance will have his property in such shape that no inspector could divine his intentions, and any layman can see how impossible it would be for us to follow up each policy during its existence. The remedy would seem to be, when such a fire occurs, to obtain the evidence to convict the criminal and make the punishment so severe as to keep others from such attempts. This is within the province of the fire marshal.

The **presidency of the Connecticut Mutual Life** will now undoubtedly devolve on John M. Taylor, who has been vice president of the company since 1884. Mr. Taylor is a native of Cortland, N. Y., where he was born February 18, 1845. He entered the sophomore class of Williams College in 1864, graduating with the class of 1867. He was admitted to the bar at Pittsfield, Mass., in 1870, and practiced law there until 1872, meanwhile filling the offices of clerk of the district court, town clerk and various other public positions. In August, 1872, he was appointed assistant secretary of the Connecticut Mutual Life, to succeed Colonel Greene, who had been advanced to the secretaryship. Mr. Taylor was elected secretary in 1878, and vice president in 1884. He takes to the presidential office the seasoned experience of thirty-three years with the administrative affairs of the company and the advantage of an intimate association with Colonel Greene in the maintenance of the great principles upon which the company's business has been conducted. Mr. Taylor has a distinguished place in literature as the author of a unique memoir of the Emperor Maximilian of Mexico, a history of Colonial days in Massachusetts and Connecticut, entitled "Roger Ludlow, the Colonial Law Maker," and other historical writings.

The first meeting of the board of trustees of the **New York Life** insurance company was held April 12, 1845. The **sixtieth anniversary** of that beginning will be celebrated on Thursday, April 12 forthcoming, by a diamond jubilee, in which the field force of the company will be represented. In a canvassing document issued by the company, Vice President Buckner furnishes information as to "How Policyholders May Vote." He says:

As provided by the charter of the company, six trustees are elected every year for a term of four years. Every member of the company has one vote at each election for these trustees. Such vote can be given in person or by proxy. The laws of the State of New York prescribe just how a policyholder of a purely mutual life insurance company may vote

by proxy. Section 21 of the General Corporation Law of the State of New York absolutely prohibits perpetual and irrevocable proxies. The law says:

"Every proxy must be executed in writing by the member himself, or by his duly authorized attorney. No proxy hereafter made shall be valid after the expiration of eleven months from the date of its execution, unless the member executing it shall have specified therein the length of time it is to continue in force, which shall be for some limited period. Every proxy shall be revocable at the pleasure of the person executing it, but a corporation having no capital stock may prescribe in its bylaws the persons who may act as proxies for members and the length of time for which proxies may be executed."

The new **life insurance company at Salt Lake,** Utah, under the guidance of President Joseph F. Smith, the Mormon leader, will have a capital of $500,000, and under the rules of the Mormon faith will monopolize the insurable interest of that sect. The Salt Lake *Tribune* says concerning it:

Joseph F. Smith & Co., consolation merchants, dealers in things material and immaterial, in salt air, hot air, electrical magnetism, laying on of hands, ostracism, sole agents and connecting link between God and man. Terms, 10 per cent. and the privilege of calling on you for anything else that we might want. This, with implicit obedience, insures your salvation in the world to come. Insurance for this life will be issued on terms as may be arranged by the trust. In no case will a member be allowed to join any benevolent society excepting ours. Not satisfied with the rake-off from the several commercial institutions in which King Joseph F. Smith is interested, according to his own statement, under oath, the head of the monarchy, as also the members thereof, twenty-six in all, propose to bring others into this grasp. Life insurance is to be added to the many other businesses. In fact, this has been decided upon. Raking in premiums, and the 10 per cent. from those premiums, is not enough from the assured. When the end comes, ice may be necessary to keep the body a few days while a thorough search is made to see that no tithes have gotten away, before the body is laid to rest, hence a church ice factory is now on the list, so that even when the Grim Reaper calls the Hierarch can still get the rake-off. Even in death the yawning maw of the tithe gathering monarchy is still open and must be filled.

The **Illinois Surety Company** has completed its organization and will begin business as soon as the license is issued. Its capital is $250,000 and its surplus $50,000, and for the present business will be restricted to Illinois. Edwin M. McKinney, the manager, proposes to organize the State thoroughly, having a general agent in each county seat and operating largely through fire insurance agents. United States Senator A. J. Hopkins was the principal organizer of the company and becomes its vice president and counsel. Isaac L. Ellwood, the well known barb wire manufacturer of DeKalb, is president, with Fred M. Blount, cashier of the Chicago National Bank, who has been prominent in his affiliations with the National Surety Company and the United States Fidelity and Guaranty Company in Chicago, as treasurer. W. Herbert Smith, from the home office of the American Bonding Company, is secretary. The directors include prominent residents of Illinois, the principal outsider being Judge E. H. Gary, chairman of the executive committee of the United States Steel Corporation.

A queer **tangle over an inheritance** has arisen in the courts of Maine in connection with the estate of the late Alderman E. C. Wood, of Lewiston. He left, among other property, $6,000 in insurance policies. Two of the policies, both in the New York Life, were made out to "Rosilla Wood, his wife." Some mistake was made at the time the policies were written, as Rosilla Wood is the mother of the dead man and his wife's name is Alma. The company has paid the money into court, and the latter is taking testimony in order to decide whether the mother or the wife was meant. The agent testified that the name was written as given him, and could throw no light on the insured's intention, as he did not know the family. The mother introduced testimony to prove that her son intended to provide for her in this way, and the wife testified and had witnesses to the effect that the deceased stated all his insurance was in her name as beneficiary. The court decision has not yet been announced. All of which goes to prove the old adage of Socrates, "Read your policy."

The Connecticut life insurance report for 1905, which was published this week, contained a statement of the **business of American life insurance companies in foreign countries** in 1904, from which the following has been compiled:

COMPANIES.	Premiums Received.	Claims Paid.	Policies in Force Dec. 31, 1904.		Increase in 1904.	
			No.	Amount.	No.	Amount.
Equitable	$13,022,160	$8,550,351	105,214	$314 155,248	1,531	* -$1,770,324
Germania.....	2,091,334	1,079.101	32 087	46,958 488	1.257	2,184,762
Mutual.....	11,165,278	3.228.816	113 991	271,813,834	9,400	17,319.444
New York.....	20,737,803	7,759,415	181,687	454,372,593	23,236	44,736,763
Totals	$47,016,574	$20,617,682	432,979	1,087,300,163	35,424	$62,470,645

* Minus sign denotes decrease.

This is **moving day on the Boston "street."** Messrs. Winchester & Watt, who were recently appointed managers for New England of the Girard and of the Camden, hitherto represented in the offices of W. E. Davenport & Son and John C. Paige & Co. respectively, have transferred the Girard to the office of J. E. Rothery and the Camden to that of Reed & Brother. W. E. Davenport & Son quickly obtained a substitute for their loss by the transference of the agency of the Aachen and Munich from Cyrus Brewer & Co. to their office. Today, also, the Northern of New York, which has been represented in Boston by H. B. Alden, moves to the office of Edward D. Blake & Co. And there are rumors of more changes coming somewhere about the intersection of Kilby and Water streets.

The inquest into the cause of the **Brockton, Mass., factory disaster,** which took place Wednesday, resulted in the verdict "No one to blame" so far as criminal liability is concerned. As District Attorney French somewhat facetiously expressed it, "If there is anyone criminally liable for the explosion of this boiler, it is the man who invented the lap seam boiler." This was the tenor of the evidence of all the experts at the inquest, including inspectors of the Hartford Steam Boiler and of the Mutual Boiler insurance companies, of Boston, and of the State police. Some of the evidence also was to the effect that the manufacture of lap seam boilers was diminishing for the past ten years, and that of the butt strap seam boiler is taking its place.

The **Travelers** insurance company of Hartford has secured an entire floor of the Metropolitan Life Building, at 1 Madison avenue, for the **new branch headquarters** in this city, which will be under the management of Mr. David Meiklejohn, who recently resigned as New York manager of the Maryland Casualty. Mr. Meiklejohn's thorough experience in the service of the latter company and formerly with the Fidelity and Casualty and his personal ability will find a splendid field in the new connection. He sails soon for a vacation trip to Bermuda, and on his return will assume his new duties. His official title will be assistant manager, as the present agency offices of the company at 31 Nassau street will be continued under Manager James G. Batterson.

The report for the year ending 1904 of the **Atlas of London** states that in the fire department the net premiums were

£831,423, and the losses £394,222, being 47.4 per cent. of the premiums. The balance of the year's revenue is £148,090, of which the sum of £127,738 has been added to the fire fund as a further reserve for unexpired liability under current risks, and the remainder of the surplus, £20,351, has been carried to profit and loss account. The profit and loss account shows a balance of £55,000. The funds of the company will then stand as follows: Reserve fund, £58,465; fire fund, £665,585; balance of "Manchester" funds reserved, £132,230—£856,281; life funds, £1,817,634; total, £2,673,915.

An act to incorporate the **Rhode Island insurance company** with a capital of $500,000 has been introduced in the Rhode Island Legislature. The company is authorized by the provisions of the act to carry on the insurance business on land or sea, against fire, lightning, etc. George L. Shepley, of Starkweather & Shepley, is one of the incorporators, and others are Banker Marsden J. Perry, Benjamin F. Jackson, J. Edward Studley, Arthur H. Watson, Samuel M. Nicholson, Charles Alexander and Charles B. Humphrey. The company will appoint a few agencies and will make a specialty of sprinklered business, although not confining its operations to that class.

Denver, Col., is making extensive moves to bring its **fire protective service** up to the highest state of efficiency. Five thousand additional feet of hose have been ordered, and as there have been some complaints about the water pressure, the city engineers have formed a plan by which the supply will be regularly tested at various points about the city by applying a pressure gauge to the hydrants. The fire warden of the city has been conducting a systematic inspection of the congested districts, and has accomplished the thorough cleaning up of the alleyways, which have been a frequent source of fires.

A charter for the **American National insurance company** of Galveston, with an authorized capital of $250,000 and paid up capital of $100,000 and $20,000 surplus, has been filed at Austin, Tex. The directors are W. L. Moody, Jr., M. O. Kopperl, F. W. Catteral, I. H. Kempner, M. Lasker, C. G. Pillot and Thomas H. Ball, the last two of Houston. It is stated that the American National insurance company would take over all of the business of the American National Insurance and Trust Company. The new company thereby starts with something like $800,000 of insurance in force, most of which is industrial.

It is expected that Mr. William R. Hedge will be elected vice president of the **Boston insurance company,** to take the place of William Wallace, whose resignation goes into effect today. Mr. Hedge is a young man, a graduate of the Massachusetts Institute of Technology, and has been identified with the Boston for about seven years as an underwriter and adjuster. Mr. Wallace, who is the New England representative of the Ætna for inland marine business, and in a smaller territory for the Insurance Company of North America, has taken quarters in the Mason Building for the continuance of this business.

The Royal Benefit Society of Washington, D. C., which preferred charges to the District Commissioners against **Insurance Commissioner Drake,** of the District of Columbia, alleging malicious persecution by him in denying the right of the concern to do business in the District, has withdrawn its charges at its own volition. The commissioner regarded the society as incompetent to do business, and he made a reply to the charges, in which he sustained his position before the District Commissioners. The failure of the society to make good its accusations is now followed by their being formally withdrawn.

In its fire department the **London Assurance Corporation** in 1904 received premiums of £554,294, as compared with £513,086 in the previous year. The losses were £299,222, being 53.9 per cent. of the premiums, and the total expenses and commissions were 35.6 per cent., against 35.9 per cent. in 1903. After increasing the fire fund by £10,000, to £720,000, being about 130 per cent. of the premium income, the sum of £72,159 was carried to profit and loss. The total assets, including life and marine, on December 31 were £4,491,483, as compared with £4,363,570 a year before.

A woman at Bloomington, Ind., recently received a postal card from the **Connecticut Mutual Life** insurance company inquiring for the present address of her husband, to whom the card was addressed and who disappeared in 1868. She just remembered that he had an insurance policy in the company at that time for $10,000. Not knowing the custom of the Connecticut Mutual to pay up all claims of that kind whenever located, she rushed to the courts and began a suit against the company. She would have received the money anyway, but how the lawyer will get a slice. "Haste makes waste."

At **Indianapolis** R. D. Hughes, M. M. Mahoney and M. A. Odenthal are organizing a **mutual life and accident insurance company,** which will have its headquarters there. The organizers were formerly connected with the Metropolitan Life of New York, Mr. Hughes as district manager for Indianapolis, Mr. Mahoney as superintendent at Marion, and Mr. Odenthal as assistant manager for Indianapolis. The company will be backed by capital furnished by Indianapolis business men.

The Universal Fire insurance company of Memphis, Tenn., has made application for a charter. The company will, under the terms of the application, operate a general fire insurance business. The applicants are C. W. Schulte, Frank B. Hunter, Chas. J. Haase, I. F. Bensdor and Charles B. Brooks. The capital stock of the company is placed at $100,000, which is to be paid in within a short time. The company expects to begin business as soon as possible after receiving its certificate of incorporation.

At the annual meeting of the **Dayton, Ohio, Association of Life Underwriters** last week the election resulted as follows: President, Victor P. Van Horne; first vice president, William T. Nuttall; second vice president, J. L. Kennett; secretary, Charles A. Gummere; treasurer, F. M. Thomas; executive committee, Victor P. Van Horne, Charles A. Gummere, F. M. Thomas, Milner Brien, W. R. Sullivan, H. D. Keefer, Frank I. Brown and C. H. Cord. A banquet was held, at which national president John Dolph was present and spoke.

The State Insurance Commissioner of Ohio, Mr. Arthur I. Vorys, made a ruling last Saturday to the effect that while under the Ohio laws insurance companies may issue **insurance against accident and ill health,** such insurance must be by separate contract. Recently a number of life insurance companies have arranged to do this kind of business under

one policy as life insurance companies. This will not be allowed by the department.

During the past month a great many small fires, some fifty, perhaps, reported as **"probably incendiary,"** have taken place **in Boston.** Three such fires occurred between 9:30 and 10:55 Monday morning in a brick building at 6 Medford court, owned by Solomon Rodman, and on Wednesday Miss Annie McBride, a business woman of the Brighton district, was arrested on the charge of attempting, with the help of one John Doherty, to set fire to one of her own houses.

It is stated that over a quarter of a million pounds sterling was written on the life of the late "Butterfly" **Marquis of Anglesey,** whose death was chronicled last week. His body was taken to London for identification at the request of the companies, and cable dispatches state that their representatives were the only persons interested enough to view the remains. The body was conveyed unattended to Wales and buried without any ceremony.

In consequence of the retirement from the insurance business of J. T. Stimmel, heretofore State agent for Minnesota of the **John Hancock Mutual Life,** the State has been divided into three districts in charge respectively of General Agent F. C. Butts, of Minneapolis; General Agent John J. Bullis, of St. Paul, and General Agent C. H. Giddings, of Duluth, all of them former district agents, and who will now report direct to the home office in Boston.

The latest **"Wild West" incorporation** is the Great Lakes and Marine insurance company, which has filed articles at South McAllister, I. T. The capital stock is put at $100,000, of which $36,750 is said to have been paid in. The articles of association were drawn at Chicago by Frederick F. Krause, Edwin E. Neiss and Albert G. Sutton, who are unknown in the insurance business of the Territory and are doubtless speculators.

The annual report of the directors of the **Law Union and Crown** states that fire premiums in 1904, after deduction of reinsurances, amounted to £221,744. The losses by fire amounted, after deduction of reinsurances, to £139,732, or 63.01 per cent. of the net premium income. There was a profit balance on the fire business for the year of £6,698. The company's funds at the close of the year amounted to £5,404,597.

The **Western life insurance** companies are all doing a **record breaking business,** says our Chicago correspondent. Naturally the attacks on the big Eastern companies for their alleged Wall Street affiliations are an assistance to the smaller Western companies, giving them a first class talking point, of which they are making good use. Several of them report their March business as by far the largest in their history.

The **new building ordinance adopted for Chicago** two weeks ago is held to increase the necessity for immediate installation of the high pressure water system. It is claimed that compliance with the requirements of the ordinance, so far as standpipes are concerned, is impossible, and that if the improvements called for are made, they would all be superseded when the high pressure system is installed.

The **Wisconsin Legislature** evidently believes in the Biblical prophecy, "To him that hath shall be given; and from him that hath not shall be taken even that which he hath." A measure recently passed takes away parts of the adjoining towns of Grover and Cleveland, in Taylor County, to form the township of Roosevelt. The step from that to surplus distribution is short.

It is reported in Chicago that Governor Deneen, of Illinois, is expected to take up the question of appointing **a new insurance superintendent** of that State soon, and that he is likely to select a country banker, who has had some experience with insurance, as a compromise between the city insurance man wanted by one element and the politician for whom the machine clamors.

Serious complaint is made of fire insurance **conditions prevailing at St. Louis,** where, because of low losses for some time, rebating has been resumed, bad forms have been introduced, and co-operation is difficult to secure. The Union committee of St. Louis companies was continued at the recent session, and will hold a conference in Chicago soon to consider what action shall be taken to secure better co-operation.

The **Plate Glass Underwriters' Association** of New York this week completed its organization by electing the following officers: W. F. Moore, president; E. H. Winslow, vice president, and C. E. W. Chambers, secretary. A committee has been appointed to consider the question of rates, and is composed of W. F. Moore, ex-officio; S. B. Brewster, Major A. White, William T. Woods and E. H. Winslow.

Thirty-two additional suits asking an injunction to restrain the collection of **taxes against fire insurance companies in Chicago** were filed on Saturday, making over eighty in all. No action will be taken, as a preliminary injunction was granted last year, and the case is now pending before the Supreme Court. The action on both year's taxes will follow the decision in the pending case.

The **Casualty Company of America** has issued a new form of boiler accident policy which carries as a rider one of three forms. One form for factories insures the owner from loss of income following the disablement of a plant. Another form does the same for stores and mercantile houses, and the third is written to cover loss of rents in apartment houses and other rented buildings.

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The **Metropolitan Life** insurance company this week sold the property known as the Parker Building, at the southeast corner of Nineteenth street and Fourth avenue, New York, for a consideration amounting to $2,750,000. In part payment the Metropolitan took the twelve story fireproof apartment hotel, known as the Seymour, at 44 to 50 West Forty-fifth street.

The **Home Fire and Marine Insurance Company** of San Francisco was the first company to qualify to do business under the new insurance law of New Mexico. Superintendent of Insurance Pedro Perea is busy preparing blanks and the new law in pamphlet form, so that the insurance companies doing business in the Territory may qualify.

A joint **meeting of the field organization of Ohio, Michigan and West Virginia** is being called for July 18 to 20 at Put in Bay, which will combine business with a vacation outing. Messrs. L. J. Bonar, of the Insurance Company of North

(*Continued on page 312.*)

THE CALCULATION OF LIFE OFFICE PREMIUMS.

Read to the Wharton School of Finance of the University of Pennsylvania by J. Burnett Gibb, F. F. A., Assistant Actuary of the Penn Mutual Life Insurance Company.

"The basis of life insurance is the doctrine of average and the theory of probability, and premiums are calculated from what are called life tables, formed by combining tables of mortality with tables of compound interest," said Mr. Gibb in opening his address. After explaining the functions of compound interest and the mortality tables in the plan of insurance and describing the several forms of insurance Mr. Gibb said:

RESERVE OR POLICY VALUE.

The reserve on a policy is the sum which the office must have in hand to provide for the future liability under a contract which is not covered by the value of the premiums still to be received, and the only source from which it can be derived is the accumulation of the portions of the net premiums already received and not used in the past for the cost of insurance. The risk of death increases with advancing age, and taking the case of a whole life policy with level annual premiums the excess payments in the early years must be husbanded to meet the time when the cost of carrying the insurance exceeds the premium payable.

In an endowment policy an additional amount has to be set aside toward the payment of the endowments which will fall due by reason of the survival of the life insured to the end of the endowment term. The lower the interest assumption the higher will be the reserve. For instance, a reserve based on 3 per cent. is larger than one based on 3½ per cent., for the reason that under the the first assumption the company only needs to earn 3 per cent. on its investments in order to fulfill its contract, whereas under the latter a minimum return of 3½ per cent. interest is necessary. It is apparent that a larger sum must be set aside each year out of the premium where the amount is to be invested at the lower rate.

The use of a stringent interest rate in computing reserves has resulted in the companies charging higher rates than those in use some years ago, but this increase in rate has been counterbalanced to some extent by the much more liberal guarantees now contained in a policy as regards cash and loan values, paid up insurance and the other non-forfeiture provisions in event of discontinuance of the premium payments.

STANDARD MORTALITY TABLES.

In this country two mortality tables are in common use, the Actuaries' or Combined Table of Mortality and the American Experience Table of Mortality.

The Actuaries' Table was published in 1843 and was constructed from statistics of insured lives furnished by seventeen English offices. It is now admitted that the mortality shown by this table is much heavier than that experienced by well managed life offices, and it is now being rapidly superseded by the American Table, which has come to be looked upon as the standard table of the United States.

The American Experience Table of Mortality was formed by Sheppard Homans, and was first published about the year 1870. The statistics deduced from the experience of the Mutual Life of New York were the bases of the table, but considerable adjustments were made, especially at the older ages. The table gives a very good indication of the mortality likely to be experienced among insured lives after the initial effects of the medical selection have worn off, and the table is now very generally used. Most of the State insurance departments have adopted the American Table as their standard for the calculation of the reserve liability of the companies.

In the calculation of rates for life annuities it is desirable to use a table which distinguishes between male and female lives. Below the age of fifty the mortality among females has been found to be heavier than of males, but at ages above fifty the superior vitality of the female is very pronounced, and nearly all life annuities are issued at ages over fifty. Recent returns of the life companies would seem to indicate that annuity business is run on a very narrow margin, and an authoritative table, showing the mortality among American annuitants, distinguishing between male and female lives, would be welcomed by all actuaries. The growing accumulation of wealth in this country and the difficulty of obtaining high rates of interest in return for investment of capital make it likely that the purchase of life annuities will largely increase in the near future. At present probably the best table available for life annuity calculation is that recently issued by the British Institute of Actuaries, giving the mortality among annuitants in the English and Scotch companies.

INTEREST BASIS.

The usual rate of interest adopted for the calculation of premiums at the present time is either 3 per cent. or 3½ per cent. Prior to 1901 the State valuation requirements were mostly based on 4 per cent., but since that time several of the States required a 3½ per cent. standard on all new business written, and many of the strongest companies have gone a step further and base their rates on 3 per cent.

The following table of net premiums at age thirty-five, by the American Experience Table of Mortality, illustrates the difference in the net annual premiums according as the interest basis is taken at 3 per cent. or 3½ per cent.:

	3 Per Cent. Basis.	3½ Per Cent. Basis.
Ordinary life	$21.08	$19.91
Ten payment life	49.73	44.78
Twenty payment life	29.85	27.40
Ten year endowment	89.30	87.02
Twenty year endowment	41.97	40.12

In view of the fall in the rate of interest obtainable in recent years on first class securities it would appear that the rate of interest to be assumed for the future should not exceed 3½ per cent., and that 3 per cent. is a very suitable rate for use in the calculation of life insurance premiums for policies which are to participate in the surplus earnings of the company. If the company earns a higher rate of interest than that assumed in determining its reserve liability, which is usually calculated at the same rate of interest as that used in computing the premiums, the excess interest receipts form a source of profit, and several companies have adopted a rate of 3 per cent. where the legal requirement is 3½ per cent., on the ground that it puts them in a stronger position and will enable them to earn a larger margin of surplus interest in years to come, and thus help to give larger dividend returns to policyholders.

For policies which do not participate in profits a somewhat higher rate of interest may be used in computing premiums than that adopted in calculating the premiums on participating policies.

LOADING.

We have now considered two of the important factors in rate making, the mortality table and the interest table. The third and final function is the loading. Up to this point we have dealt with what are called net premiums, in which there is no provision for expenses or contingencies. In the procurement of new business and the care of the old expense is necessarily incurred, and to provide for this an addition, called loading, is made to the net or mathematical premium. Returns to policyholders in the way of dividends have also come to be such a recognized part of the system of life insurance that the loading is usually made sufficient to ensure a surplus. Where the company returns in the form of dividends the excess payments made over those required, it may be pointed out that the actual cost to the policyholder is sometimes reduced below the net premium, the insured member getting the benefit of the actual rate of interest earned, the actual rate of mortality experienced, and paying his just share of the expenses.

Keeping this in view we see that it is much better to have a rate too large than too small, because when the rate is larger than is absolutely necessary an adjustment is made by the dividend distribution, whereas, if the rate is too small, disaster must follow. In theory, therefore, the results under a participating policy should be more favorable than under a non-participating policy, as in order to be safe the company must, under the latter form, have a small margin which will not be returned to the policyholder. The method of loading has varied from time to time, and there is still great diversity of opinion as to which is the best method. In early times the usual method was simply to increase the net premium by a fixed percentage. This method had the disadvantage of making the loading very heavy at the old ages.

The commission payable is usually fixed at a certain percentage of the premium, and the method mentioned applies well as regards this item, but the other expenses, such as the cost of the medical examination, the writing of the policy and the home office expenses, are just as heavy for a young age as for an old

age. Another method would be to add a constant amount to the net premium irrespective of the age. This method has exactly the opposite effect to that produced by adding a percentage to the net premium, for it makes the loading relatively much heavier on the young than on the old ages.

A method which has come into great favor is to load the net premium for the particular contract with a certain percentage of itself and in addition add a certain percentage of the ordinary life net premium. For example, on a twenty year endowment the gross or office premium might be made as follows at the age of forty:

American 3 per cent. net premiu for 20 year endowment	$43 01
Add 12½ per cent	5.38
Add 12½ per cent. of net ordinary life premium ($24.75)	3.09
Gross premium	$51.48

The following table shows the effect of a loading on the above basis as between different ages and different classes of insurance:

SPECIMEN RATES.—AMERICAN 3 PER CENT. LOADED 12½ PER CENT. PLUS 12½ PER CENT. OF NET ORDINARY LIFE PREMIUM.

	Age.	Net Prem.	12½ p. c. Net Prem.	12½ p. c. Net Ord. Life Prem.	Total Loading.	Office Premium.	Percentage of Loading to— Net Prem.	Office Prem.
Ordinary Life	21	14.72	1.84	1.84	3.68	18.40	25	20
" "	40	24.75	3.09	3.09	6.18	30.93	25	20
" "	60	58.27	7.28	7.28	14.56	72.83	25	20
10 Payment Life	21	39.52	4.94	1.84	6.78	46.30	17	15
" " "	40	54.66	6.83	3.09	9.92	64.58	18	15
" " "	60	87.22	10.90	7.28	18.18	105.40	21	17
20 Payment Life	21	23.48	2.94	1.84	4.78	28.26	20	17
" " "	40	33.14	4.14	3.09	7.23	40.37	22	18
" " "	60	61.62	7.70	7.28	14.98	76.60	24	20
10 Year Endowment	21	88.62	11.08	1.84	12.92	101 54	15	13
" " "	40	89.86	11.23	3.09	14.32	104.18	16	14
" " "	60	101.69	12.71	7.28	19.99	121.68	20	16
20 Year Endowment	21	40.81	5.10	1.84	6.94	47.75	17	15
" " "	40	43.01	5.38	3.09	8.47	51.48	20	16
" " "	60	63.29	7.91	7.28	15.19	78.48	24	19

An examination of the last column given above will show that although this method makes some adjustment as between different classes of policies, yet it does not adjust equitably the expenses between old and young entrants. The method has the advantage of being very elastic, as by varying the loading percentages of the contract net premium or of the ordinary life net premium, the gross premiums may be modified as desired. It has been argued by some actuaries that the rates for old entrants should be more heavily loaded, as it is believed that the medical selection is more efficacious in the case of young lives.

CONSTANT AND PERCENTAGE LOADING.

A good method would be to add to the net premium a constant and then load this gross amount with a percentage. For illustration, let us take the contract as $3 per $1,000 insured, the percentage as 15 per cent., then using the American 3 per cent. table of mortality we get the following rates:

SPECIMEN RATES.—AMERICAN 3 PER CENT. LOADED WITH A CONSTANT OF $3 PER $1,000, PLUS 15 PER CENT.

	Age.	Net Prem.	Constant.	15 p. c. of Net Prem., plus Constant.	Total Loading.	Office Prem.	Percentage of Loading to— Net Prem.	Office Prem.
Ordinary Life	21	14.72	3.00	2.66	5.66	20.38	39	28
" "	40	24.75	3.00	4.17	7.17	31.92	29	23
" "	60	58.27	3.00	9.19	12.19	70.46	21	17
10 Payment Life	21	39.52	3.00	5.93	8.93	48.45	23	18
" " "	40	54.66	3.00	8.20	11.20	65.86	21	17
" " "	60	87.22	3 00	13.08	16.08	103.30	18	16
20 Payment Life	21	23.48	3.00	3.97	6.97	30.45	30	23
" " "	40	33.14	3.00	5.42	8.42	41.56	25	20
" " "	60	61.62	3.00	9.69	12.69	74.31	21	17
10 Year Endowment	21	88.62	3.00	13.29	16.29	104.91	18	16
" " "	40	89.86	3.00	13.48	16.48	106.34	18	16
" " "	60	101.69	3.00	15.25	18.25	119.94	18	15
20 Year Endowment	21	40.81	3.00	6.57	9.57	50.38	23	19
" " "	40	43.01	3.00	6.90	9.90	52.91	23	19
" " "	60	63.29	3.00	9.94	12.94	76.23	20	17

This method of loading appears to fulfill our requirements somewhat better than the methods previously mentioned. While the amount of loading increases with an increase in age, yet the percentage decreases, and the equities between different classes of insurance are preserved. It will be understood the figures given are merely for the purpose of illustrating the different methods of loading, and that the percentage or constant employed must be fixed with regard to the actual expense likely to be incurred.

In the practical calculation of office premiums the rates of competing companies must be very carefully considered. Competition is very sharp and the rates of the large companies form a standard from which it is not judicious to depart very far. The distribution of dividends, which is now almost universally made having regard to the amount contributed by each individual, removes apparent inequalities. Among other considerations which enter into the method of calculating office premiums, perhaps the most important is the amount of surrender value to be allowed in event of discontinuance, but this phase of the subject is too large to be included in the paper now presented.

FACTS AND OPINIONS.

(*Continued from page 310.*)

America; A. G. Sanderson, of the Ætna, and L. A. Lent, of the Pennsylvania Fire, are the committee on notification.

The **City of New York insurance company,** of which Mr. Max Danziger will be president and Major A. White secretary, expects to begin writing about April 15 with $200,000 capital and $300,000 surplus. Mr. J. C. French will be assistant secretary, and the local department will be run by Mr. Charles E. Wickham and Mr. Robert W. Bourne.

A **news item from Owensboro,** Ky., says:

On account of the great competition among insurance agents in Owensboro, Boyd Mitchusson, an agent, has accepted a contract from an undertaker to take the first premium on the policy in coffins and burial fixtures if the undertaker would insure his life with the agent's company. The contract was drawn up and the policy delivered. The insurance agent at present is in the best of health.

The **Washington Life** insurance company has created the office of general auditor and appointed Mr. Roland Vermilye to fill it. Mr. Vermilye has been metropolitan general agent of the company for several years. Mr. Frank Campbell, of Manchester, has resigned as New Hampshire general agent of the company.

"I was **examined for life insurance** today," said Mr. Timmid, "but I'm afraid I'll be turned down."

"Oh, my! Why?" asked Miss Koy.

"While the doctor was examining my heart I unfortunately got to thinking of you, and it jumped something awful."—*Philadelphia Ledger.*

A cable dispatch in the *Journal of Commerce* give currency to the report prevailing in London that the Alliance is to take over the old **Westminster Fire Office.** The Westminster was established in 1717 and confines its business to the United Kingdom. Its connections are of the most excellent character.

The Travelers will pay the proceeds of the **McCue policy** to the qualified guardian of the children of the deceased murderer, thus insuring the original purpose of the policyholder to provide for his family and preventing a diversion of the fund to other purposes, such as lawyers' fees.

The **Title Guaranty and Trust Company** of St. Louis, which furnished the larger part of the bonds issued concessionaires at the St. Louis World's Fair, is being made a party to a number of suits by the Exposition Company to collect rents, commissions, etc., from various concessions.

The **Surety Underwriters' Association of Chicago** will hold its first annual banquet at the Union League Club April 6. The presence of President Bland, of the United States Fidelity and Guaranty Company, and President Joyce, of the National Surety Company, is expected.

The **Life Underwriters' Association of Missouri** held a banquet at the Mercantile Club, St. Louis, on March 21, and elected thirteen new members. A committee was appointed to invite the National Association to make St. Louis its rendezvous for the annual convention in 1906.

The new building of the **Mutual Life** insurance company of New York **in the city of Mexico** on the Avenue Cinco de Mayo will be dedicated on April 15, when the building will be inspected and a banquet served. President Diaz of the republic will be a guest, and some of the home office officials will make a special trip for the occasion.

The **New York firm of Hall & Henshaw** has rearranged its special agency force by transferring Special Agent Archibald Kemp from New York and Pennsylvania to the Western field, with headquarters at Chicago, and Mr. A. R. Williams goes to the Northwest.

The Philadelphia Casualty Company was absent from the convocation held at **Chicago** this week to form a **plate glass compact** there, and as there is a prospect that this company will not come in the completion of the organization is regarded as improbable.

The **Tidewater Insurance and Trust Corporation** of Matthews Court House, Va., has been incorporated with a capital stock of $10,000 to do a regular, fire insurance, banking and trust business. A. James is president and J. F. Marchant is secretary.

The **Frankfort Marine, Plate Glass and Accident** insurance company has been licensed to do business in Maine, which State is added to the territory of Messrs. G. R. Griffin & Co., of Boston, the managers for New England of the Frankfort.

At a meeting of the Board of Fire Underwriters of **Los Angeles,** Cal., last week, a resolution was adopted that **no brokers** be **recognized** and that no commissions be paid to such persons. Over 100 brokers are affected.

The business of the **American Mutual Aid Association,** a fraternal society at St. Louis, has been reinsured with the Continental Casualty Company of Chicago through General Agent Bradford, of St. Louis.

The **Missouri Insurance Department** received $51,000 in fees in 1904, an increase of $4,000 over the previous year. The 2 per cent. tax on premiums amounted to $475,000, an increase of $64,000.

The **Atlas** insurance company will shortly take up forty agencies in the West for the purpose of establishing the **sole agency basis** in that territory, as has already been done in the East.

The **insurance clerks of Baltimore** are organizing an athletic association, which will put a baseball team into the field this summer and will take part in other athletic activities.

At **Birmingham, Ala.,** the **life insurance agents** have formed a temporary organization, with W. H. Stewart, Metropolitan Life, chairman, and W. H. Lyons, Equitable Life, secretary.

The **Homestead Fire** Insurance Corporation of Franklin, Va., is another concern chartered by the Corporation Commission of Virginia, with a nominal capital of $100,000.

Springfield, Ill., life underwriters are planning an association, and received a visit this week from Vice President Van Sickle, of the National Association, to that end.

The **India Mutual** insurance company of Boston has been admitted to the District of Columbia, and will be represented in Washington and vicinity by Craig & Taggart.

The **Ohio** field men are considering the organization of a **fire prevention bureau,** and will meet at Columbus next Tuesday to talk plans.

The firm of **A. T. Shaw & Co., of Chicago,** will succeed Hall & Henshaw, of that city, on April 1, and the former firm will be liquidated.

An effort is being made to form a **board of casualty underwriters in Boston,** and a committee of the managers is working out the project.

The **Lumber Mutual** of Boston has entered Georgia.

Personal.

AGENCY APPOINTMENTS.

Aachen and Munich: Clark & Groves, Buffalo, N. Y.

Calumet: A. W. Haight, general Eastern agent, Syracuse, N. Y.; Stuart Morgan, State agent for Ohio, Indiana and Michigan, Columbus, Ohio; W. H. Pellington, Illinois, Iowa and Missouri, at Decatur, Ill.; J. R. Hobbins, Wisconsin and Minnesota, Madison, Wis.

Fidelity Mutual Life: Illig & Richardson, Houston, Tex.

Hartford Life: J. C. Shaffer, manager for Georgia, at Atlanta.

Home of New York: Arthur G. Chapman, of Owensboro, special agent for Kentucky.

Liverpool and London and Globe: H. H. Noble, of Madison, special agent in Wisconsin.

National Life of Vermont: M. W. Marshall, State agent at Grand Rapids, Mich.

New York Underwriters' Agency: C. L. Toan, special agent for Michigan.

North River Fire: L. H. Whitbeck, Rochester, N. Y.; Haas & McIntyre, Atlanta, Ga.

Pennsylvania Fire: Phillips & Rebhan, Milwaukee, Wis.

Phœnix of London: William Dinsmore & Son, agents for Westchester County, New York.

Svea: J. O. Jeffries, special agent for Illinois, Wisconsin and Iowa.

Western of Pittsburgh: McClure & Van Horne, Kansas City.

Mr. A. W. Kimball, general agent of the Northwestern Mutual Life insurance company at Chicago, Ill., died March 25 at Daytona, Fla., following an operation for appendicitis. He was sixty-one years old, and for many years was assistant superintendent of agencies of the Northwestern in the home office at Milwaukee, where he has a brother, Mather D. Kimball, who is general purchasing agent of the company. For ten years he has been general agent at Chicago, as senior member

of the firm of Kimball & Norton. He was postmaster at Green Bay, Wis., under President Garfield. He was buried at Cooperstown, N. Y., on Wednesday, on which day a memorial meeting was held in the Chicago offices of the company.

Mr. John Tenney, manager of the Royal insurance company for the middle department at Philadelphia, died at Camden, S. C., March 28, where he had gone for his health, which had been for some time failing. Mr. Tenney became manager of the Royal in 1900, and was among the most prominent of Philadelphia underwriters. He leaves a widow, a daughter and a son who is a special agent of the Royal.

Mr. William Trembor, who retires from the secretaryship of the German of Freeport, Ill., today, after a conspicuous service of a quarter of a century, was the recipient of a farewell banquet at Freeport on Thursday night, at which one hundred field men from all over the country were present.

Mr. Walter MacBain has resigned his position with the Hanover Fire insurance company, with which company he has been connected for sixteen years, to form a partnership with W. C. Newman, New York city, agent of the Atlanta Birmingham under the firm name of Newman & MacBain.

Mr. William E. Ash, former special agent of the American of Philadelphia for Eastern Pennsylvania, has been appointed State agent for the whole Keystone, and is succeeded in his former position by Mr. Robert L. Lentz, formerly local agent at Northampton, Pa.

Mr. Edwin Brower, auditor of the Phœnix insurance company of Hartford, Conn., died at his home in that city on March 27 of cancer. He was born in New York city forty-eight years ago, and was for years cashier of the Mercantile National Bank.

Mr. Gustave Haeber, for some years manager of the Western Reserve Life insurance company, committed suicide by shooting himself in the Lutheran Hospital at St. Louis on March 28. He retired from business a year ago on account of illness.

Mr. John P. Schneider, president of the Birmingham Fire insurance company of Pittsburgh, Pa., died at his home in that city March 25, aged seventy-five years. He was born in Germany, was a veteran of the Civil War and a high Mason.

Mr. Henry Kitson, Michigan State agent of the Western and British America Assurance companies, died of nervous prostration at Grace Hospital, Detroit, last week. He was a native of Yorkshire, England, and fifty-five years old.

Mr. J. R. Pattillo, lately with the Knoxville, Tenn., agency of the Travelers, has been sent to Atlanta as special agent of the liability department of that company in Georgia and South Carolina.

Mr. Richard Croker, Jr., has been elected a director of the Casualty Company of America in place of his brother, Frank Croker, who was killed in an automobile accident at Ormond Beach, Fla., recently.

Mr. Billups Phinizy, president of the Southern Mutual insurance company of Athens, Ga., is making a tour of his Georgia agencies. We announce this because it pleases us to see his name in print.

Mr. Charles L. Easton has been appointed special agent of the Northern insurance company for Indiana at Indianapolis. He was formerly Wisconsin and Minnesota special of the Aachen and Munich.

Mr. E. O. Basse, special agent of the American and Security insurance companies, has been transferred from Missouri to Wisconsin, with headquarters at Milwaukee.

Mr. Thomas Egleston has resigned as chairman of the special cotton committee of the South Eastern Tariff Association. His successor is not yet named.

Mr. Biscoe Hindman, manager for the Mutual Life at Louisville, has been appointed by Governor Beckham colonel of the First Kentucky Infantry.

Mr. John T. Boush, special agent of the Travelers of Hartford in the liability department, died suddenly of Bright's disease on March 24.

Mr. J. Q. Jeffries, a local agent at Clinton, Ia., has been appointed special agent of the Svea for Illinois, Wisconsin and Iowa.

Mr. Henry W. Birchard has resigned as special agent of the American Fire of Philadelphia in Western Pennsylvania.

Mr. I. W. Holman has resigned as Wisconsin special agent of the North British, taking effect April 1.

Mr. Dan H. Wheeler, Jr., of the Omaha, Neb., firm of Wheeler & Wheeler, died on Thursday last.

Col. Andrew M. Benson, life insurance agent at Boston, Mass., died there March 19.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

LITTLE ROCK, Ark., March 26.—Senate Bill No. 318, introduced and referred to the Insurance Committee March 22, provides that no fire insurance company not organized under the laws of this State shall be allowed to issue any policy insuring property in this State against loss or damage by fire for any amount less than $1,250, and after three years from the passage of this act no such company shall be allowed to issue any such policy for any amount less than $2,100. Any stock insurance company organized under the laws of the State may commence business when an indemnity bond shall have been given as required by the laws of this State, and when 10 per cent. of the stock subscribed shall have been paid up.

LITTLE ROCK, Ark., March 27.—Senate Bill No. 302, by Mr. Goodwin, concerning reinsurance, has passed the Senate.

Connecticut.

HARTFORD, Conn., March 30.—There was a long hearing before the Committee on Insurance this afternoon on the matter of regulating the disposal of the safety fund of the Hartford Life insurance company. The hearing was on a bill which provides that if the Superior Court shall find that the company has violated any of its obligations to the certificate holders on the assessment plan then the business shall be stopped and the court shall proceed to wind up the safety fund business, determine the ownership thereof and distribute the same. There has been considerable dissatisfaction expressed by many members insured under the assessment plan, who claim that instead of having to pay increased assessments they should have a share of the safety fund, and they were represented at the hearing by C. H. Dresser, of this city, and W. H. Squire, of Meriden. The hearing was adjourned for a week.

The Insurance Committee has reported adversely on the bill authorizing fraternal societies to employ paid agents to solicit membership for insurance. Considerable opposition developed Wednesday at the hearing on the resolution incorporating the Catholic Mutual Fire insurance company, mainly to the use of the name "Catholic." A substitute bill was presented creating a stock company with $500,000 capital, to begin business with $50,000, limiting the stock to 8 per cent. dividends. The organization of the company is favored by many prominent Roman Catholics. The Roman Catholic Church owns over $1,000,000 of property in this city and a large amount more in other parts of the State. It was stated that the clergy were opposed to the proposed name for the company, and it was agreed to adopt some other name.

Illinois.

SPRINGFIELD, Ill., March 24.—Representative Fetzer today introduced House Bill No. 611, adding a new section to the act governing casualty insurance companies, which provides that in estimating the condition of corporations the Superintendent of Insurance shall charge as liabilities all outstanding indebtedness and the premium reserve on policies in force equal to the unearned portions of the gross premium charged for covering the risk computed on each respective risk from the date of issuance of policy. An additional liability is to be charged for each company writing insurance under sub-division two of Section 1 in the nature of a reserve.

SPRINGFIELD, Ill., March 25.—The Illinois Insurance Department likes the temper of the present Legislature, and at this time there appears to be no prospect of drastic legislation being enacted that will affect any reputable company.

Seven insurance bills have passed the Senate, but the House has passed none. The anti-compact bill by Mr. Coy and the valued policy bill, which were introduced in the House, have not even been considered in committee.

The bill granting fire companies to write sprinkler leakage insurance is vitally interesting to companies and agents. Factory mutuals are benefited by the bill, and it is being pushed on the ground that Massachusetts has a similar law. No opposition to the passage of the bill developed in the Senate, and if it

passes the House with equal ease Illinois and Massachusetts mutuals will possess a valuable advantage over their New York, Pennsylvania, Ohio and Michigan rivals.

Mr. McKinley has offered the only House bill which gives any promise of being irritable to insurance men. It is the anti-trust bill, and was alleged to have the backing of Governor Deneen and Attorney General Stead. The Governor, however, has denied his complicity. In the bill the definition of a trust is enlarged to include insurance companies and boards of underwriters. A system of fines is stipulated for offenses. Domestic companies will have their charters forfeited and foreign companies will have their licenses revoked if found guilty.

Even with the alleged strong backing trouble is predicted for the bill. Many members class the measure with the anti-compact bill, and since the action of the National Board of Fire Underwriters in ordering the withdrawal of companies from Arkansas for the enactment of similar legislation there is no evident intention of following Arkansas.

The time for introducing bills, except by unanimous consent, has passed, and the following is a synopsis of insurance measures thus far introduced:

Senate Bill No. 27, by Mr. Clark, assessing stock of insurance companies the same as banks.

Senate Bill No. 63, by Mr. Burnett, causing insurance companies to file annually gain and loss exhibits.

Senate Bill No. 131, by Mr. Mueller, repealing the surplus line law of the last Legislature.

Senate Bill No. 132, by Mr. Mueller, relieving the life insurance company from the anti-rebate law if the company is not party to the offense.

Senate Bill No. 242, permitting railroads to insure property along their right of way for which they are liable if burned.

Senate Bill No. 315, by Mr. Berry, increasing the reserve of casualty insurance companies.

House Bill No. 95, by Mr. Lurton, classing Lloyds as stock companies.

House Bill No. 150, valued policy bill.

House Bill No. 200, limiting figures in advertisements of companies to the figures filed with the State.

House Bill No. 326, by Mr. Dabler, giving persons, other than beneficiaries, paying premiums of policyholders, lien on property.

House Bill No. 443, by Mr. Coy, anti-compact law.

House Bill No. 488, by Mr. McKinley, anti-trust, including insurance companies.

SPRINGFIELD, Ill., March 31.—The McKinley anti-trust bill, House Bill No. 488, was advanced to a third reading in the House and made a special order for next Thursday. Mr. Austin objected to taking up the bill, saying that the Chicago Underwriters' Association had been refused a hearing. The rules were suspended by an overwhelming vote, and an amendment exempting insurance companies was voted down.

Maine.

AUGUSTA, Me., March 24.—The following letter has been issued by Insurance Commissioner S. W. Carr to all managers and officers of fire insurance companies doing business in Maine:

I hereby notify you of a change made by the Legislature of this State in the Maine standard policy by striking out the word "forthwith" in the paragraph relating to notice of loss and substituting therefor the words "within a reasonable time," so that said paragraph as amended reads as follows: "In case of loss or damage under this policy a statement in writing, signed and sworn to by the insured, shall be within a reasonable time rendered to the company," etc.

This act takes effect on the first day of May, 1905, and all policies issued in this State on or after that date must conform to the provisions of the law as amended.

Massachusetts.

BOSTON, Mass., March 27.—The Senate has passed to be engrossed House Bill No. 988, to incorporate the Contractors Mutual Liability insurance company.

BOSTON, Mass., March 28.—The Committee on Insurance, with the dissent of Mr. O'Brien, of Worcester, reported leave to withdraw on the petition of Mark N. Skerrett with House Bill No. 678, for a law to abolish all classes of insurance by wiping out the legal classification.

Just at the end of the House session this afternoon the committee put in a bill to incorporate the Massachusetts Casualty Company, with authority to do a casualty and boiler insurance business, provided it have capital sufficient for the two kinds, as follows:

Sec. 1. William L. Terhune, Frederick L. Walker, George I. Robinson, Jr., Thomas M. Vinson, Alpheus Sanford, George Reed, Frank D. Somers, David L. Bolger, John B. Humphrey, William H. Bailey, Abbott Rollins, and their associates and successors, are hereby created a corporation under the name of the Massachusetts Casualty Company, to be located in Boston, for the purpose of transacting the business of casualty insurance as specified in the fourth and fifth clauses of Section 29, Chapter 118, Revised Laws, with all duties, liabilities and restrictions conferred or imposed by the general laws now or hereafter in force applicable to domestic insurance companies, so far as said laws are not inconsistent with this act.

Sec. 2. The capital stock of the corporation shall be $200,000, divided into 2,000 shares of $100 each, and no certificate of shares and no policies shall be issued until the capital stock is paid in.

This bill was favorably reported.

On the petition of Mark N. Skerrett the committee reported House Bill No. 679, to require insurance companies to keep reserves.

The committee reported in the Senate a bill to prevent foreign fraternal companies from doing business in the State under names similar to those of domestic companies.

BOSTON, Mass., March 29.—The Insurance Committee reported in the House this afternoon leave to withdraw on the petition (with House Bill No. 563, recommitted) of Samuel T. Frost for the incorporation of the Casualty and Boiler Insurance Company.

The Senate ordered to a third reading, without debate, Senate Bill No. 126, to regulate the names of fraternal beneficiary organizations.

Michigan.

LANSING, Mich., March 29.—Mr. Fyfe has introduced Senate Bill No. 267, providing for the employment by the Insurance Commissioner of an actuary to investigate and report on the subject of old age pension life insurance, and to ascertain the probable cost thereof and amount of poll tax necessary for the maintenance of an old age pension system in Michigan.

Minnesota.

ST. PAUL, Minn., March 24.—The Senate Insurance Committee today reported for passage House Bill No. 100, by Mr. Armstrong, for organization of companies to insure sprinklered risks only.

House Bill No. 739, by Mr. Fosseen, provides that whenever any dispute or controversy concerning the amount of loss sustained under any policy issued in this State has arisen and referees have been appointed and made their award, as provided by law, the insurer, as well as the insured, shall be bound by such award unless either of the parties thereto

shall, in writing, within thirty days of the receipt of notice of such award, reject the same. When the award is thus rejected suit may be brought to determine the amount of said loss, or the parties may enter into a written stipulation to resubmit the question of the amount of the loss to new referees, which may be rejected in the same manner. It shall be the duty of referees in such cases to serve a copy of their award on both the insurer and insured immediately upon the completion of same in the same manner as summons in civil actions are served.

House Bill No. 707, introduced by the Insurance Committee March 22, provides for uniform fire insurance rates for each class of risks, the appointment of a fire marshal and for the investigation of fires. The fire insurance companies are taxed one-fourth of 1 per cent. on net premiums for the expenses.

ST. PAUL, March 27.—The House Insurance Committee today recommended for passage:

House Bill No. 499, by Mr. Wyman, amending the law as to "deferred dividend" companies; also Senate Bill No. 324, by Mr. Horton, relating to deposits of securities.

House Bill No. 761, introduced by Mr. Armstrong, provides that the agent or agents of any insurance company doing insurance business in any city in this State having a population of 50,000 or over shall pay to the said city, if it shall so declare by ordinance, on or before July 1 each year not more than $100 for each company represented, for the use of the city, which shall issue a license in the name of the city to the agent or agents to do the business of such agency for one year.

ST. PAUL, Minn., March 28.—House Bill No. 818, by Mr. Wyman, is to impose a fine of $50 to $100, or imprisonment not to exceed three months, on any insurance company insuring children under ten years of age.

Missouri.

JEFFERSON CITY, Mo., March 25.—The record for the session of the Missouri Legislature on insurance, including both fire and life, was the passage of only one bill. All other measures failed to get farther than the second reading in either house. The bill passed is House Bill No. 546, which is now before Governor Folk for his approval. The Governor has thirty days from the adjournment of the Legislature in which to act on the bills which reached him within ten days before the adjournment of the session, and this is one of them. The bill was prepared and supported by the State Insurance Department, hence there is every reason to believe that he will sign it. It has no emergency clause, and will not go into effect if signed until June 16. It is as follows:

Section 8043 of the Revised Statutes of Missouri of 1899 is hereby amended by adding the following words thereto: "Provided, that fire insurance companies shall be credited with premiums on reinsurance with companies authorized and licensed to transact business in Missouri, which reinsurance shall be reported by the company reinsuring such business; but no credit shall be allowed any fire insurance company for reinsurance in companies not licensed to transact business in Missouri," so that said section, when so amended, will read as follows:

Sec. 8043. Every insurance company or association not organized under the laws of this State shall, as hereinafter provided, annually pay a tax upon the premiums received, whether in cash or in notes, in this State, or on account of business done in this State, for insurance of life, property or interests in this State, at a rate of 2 per cent. per annum in lieu of all other taxes, except as in this article otherwise provided, which amount of taxes shall be assessed and collected as hereinafter provided; provided, that fire insurance companies shall be credited with premiums on reinsurance with companies authorized and licensed to transact business in Missouri, which reinsurance shall be reported by the company reinsuring such business; but no credit shall be allowed any fire insurance company for reinsurance in companies not licensed to transact business in Missouri.

Nebraska.

LINCOLN, Neb., March 27.—The Senate has passed Senate Bill No. 281, by Mr. Mockett, requiring the filing of annual statements; Senate Bill No. 277, by Mr. Beghtol, anti-discrimination; Senate Bill No. 216, by Mr. Mockett, for Federal supervision, and Senate Bill No. 280, by Mr. Epperson, regarding actions against insurance companies.

In committee of the whole the Senate indefinitely postponed Senate Bill No. 208, Senator Meserve's bill for the creation of a commission of three to revise the State's insurance laws.

New Jersey.

TRENTON, N. J., March 28.—The proposition to amend the fire insurance act by prohibiting the application of a coinsurance clause unless the loss is more than 5 per cent. was voted down in the Senate by a vote of 8 to 5. This was Senate Bill No. 77, by Mr. McKee.

New York.

ALBANY, N. Y., March 27.—Mr. Riordan today introduced Senate Bill No. 802, to regulate the publication of printed or written reports and statements in reference to the financial condition of life and fire insurance companies and banks and trust companies in the State of New York, and the value of stock and securities held or owned by said companies. Such individuals or corporations must have a paid up capital of at least $200,000, and procure a license from the Superintendent of Insurance authorizing them to do such work. A deposit of $200,000 is required to entitle them to such a license. The act applies to monthly, weekly, triweekly and quarterly publications, whether magazine, newspaper, pamphlet or book.

ALBANY, N. Y., March 28.—The Governor has signed House Bill No. 475, by Mr. Foley, to tax gross premiums.

The Senate has passed Mr. Ambler's Senate Bill No. 215, allowing domestic fire insurance companies to declare dividends in excess of 10 per cent. under certain conditions.

Mr. Davis introduced today Senate Bill No. 811, requiring every co-operative or assessment association organized under the laws of other States before transacting any business in this State to file with the Superintendent of Insurance of New York a certificate from the insurance superintendent or insurance commissioner of its own State, setting forth that it is legally entitled to transact business, and that corporations organized under the laws of this State, and engaged in similar business, may do business in that State.

ALBANY, N. Y., March 29.—The House today passed Mr. Lewis' House Bill No. 634, relative to the amendment of charters of domestic insurance corporations.

ALBANY, N. Y., March 30.—Rather slow progress is being made by the Legislature with insurance bills. Few of such measures of any importance have yet passed both houses.

Mr. Lewis' Lloyds bill, House Bill No. 798, has managed to get through the Assembly and is now awaiting consideration by the Senate committee.

Mr. Brackett is having the usual doubtful fortune with his bill to require the entire contract to be expressed in the policy, Senate Bill No. 266. It got out of committee and reached third reading, only to be sent back to committee on somebody's plea that a hearing was desired.

Mr. Ambler expects by another week to have the Senate pass his bill to prohibit the formation after June 1, 1905, of life and casualty corporations formed on the co-operative or assessment plan, Senate Bill No. 393.

The Senate has passed Mr. Ambler's Senate Bill No. 392, relative to the amendment of charters of domestic insurance companies, drawn with special reference to the present unsettled condition of affairs in the Equitable Life Assurance Society, but applying to all insurance companies. Mr. Brackett this afternoon introduced Senate Bill No. 841, to permit anyone to bring action at any time against an insurance company. A hearing will be given on this bill by the Senate Insurance Committee next Thursday afternoon.

ALBANY, N. Y., March 31.—Chairman Ambler, of the Senate Insurance Committee, has announced a hearing for next Thursday afternoon at 3 o'clock on Mr. Brackett's Equitable bill allowing actions to be brought at any time; also Sentator Ambler's anti-conspiracy bill and his bill forbidding the formation of life and casualty insurance companies on the co-operative or assessment plan after June 1, 1905.

In debate yesterday in the Senate on the Brackett bill to include copies of the original contract with the life insurance policy Senator Coggeshall applied the following epithets to Senator Brackett:

"Senator Brackett jaws and chews and snarls like an old fishwoman. No one cares particularly what Senator Brackett says for we all regard them as childish, puerile emanations from a diseased and disordered brain."

The tax bill of the Insurance Committee, which has been signed by the Governor, provides as follows:

Sec. 187. Franchise Tax and Insurance Corporations.—An annual State tax for the privilege of exercising corporate franchises or for carrying on business in their corporate or organized capacity within this State equal to 1 per centum on the gross amount of premiums received during the preceding calendar year for business done [at any time] in this State [which gross amount of premiums shall include all premiums received during such preceding calendar year on all policies, certificates, renewals, policies subsequently cancelled, insurance and reinsurance during such preceding calendar year, and all premiums that are received during such preceding calendar year on all policies, certificates, renewals, policies subsequently cancelled, insurance and reinsurance executed, issued or delivered in all years prior to such preceding calendar year], whether such premiums were in the form of money, notes, credits, or any other substitute for money, shall be paid annually into the treasury of the State [in the year 1905, on or before July 1, and in all subsequent years], on or before June 1 by the following corporations:

Sec. 2. Subdivision 5 of Section 189 of such chapter, as amended by Chapter 118 of the laws of 1901, is hereby amended to read as follows: 5. Insurance Corporations.—Every insurance corporation liable to pay a tax under Section 187 of this chapter shall, on or before March 1 in each year [except in the year 1905 and on or before April 1 in that year], make a written report to the Comptroller of its condition at the close of its business on December 31 preceding, stating the [gross] amount of [all] premiums, referred to in Section 187 of this chapter, received during the [preceding calendar year] on business done thereby in this State during the year ending with such day and [at all times prior thereto], whether the premiums were in money or in the form of notes, credits or other substitutes for money.

The amendments to the original law are inclosed in brackets.

Oklahoma.

GUTHRIE, Okla., March 27.—Despite the fact that there were numerous insurance bills introduced in the Legislature not one of them became a law, and only one reached the Governor. This was the Senate substitute bill governing the operations of mutual insurance companies and allowing them to create a reserve fund out of the surplus. So numerous were the protests filed with the Governor that he refused to approve the bill.

The most important insurance bill introduced was that by Representative Ballinger, which sought to prevent discrimination by life and endowment companies in the matter of premiums and other benefits offered insurants. This bill passed the House after a hard fight, and was killed in the closing days of the Senate.

Other insurance bills, which were introduced and killed in the house in which they originated, were Mr. Scott's, which enacted a tax on all fire insurance companies in cities of the first class for the purpose of maintaining the fire departments in such cities; Mr. Levy's measure, which would compel all insurance companies to pay an annual tax in each county in which they operated, and Mr. Robinson's bill, which would compel all holders of fire insurance policies to file a certified copy of the policy with the town or city clerk, with the purpose of preventing incendiarism and fraud.

Senator Threadgill's bill, regarding trust companies, which passed both houses and was signed by the Governor, covers accident insurance companies as well, and compels them to put up $50,000 cash security with the Territory before they can operate in the Territory.

Tennessee.

NASHVILLE, Tenn., March 28.—A bill was introduced in the Tennessee Senate this afternoon to require all life insurance companies other than fraternal beneficiary associations to print or stamp in conspicuous type on each policy of insurance sold in Tennessee words indicating the kind or character of such policy, the same to be approved by the Insurance Commissioners.

Official Reports.

Connecticut Life Insurance Report.

The Connecticut Life Insurance Report gives, as usual, the first insurance analysis of the life insurance business of the preceding year. We append results of 1904, compiled from the business of six Connecticut, twenty-five other State and four industrial companies, embracing practically all the principal companies of the country:

Premiums received	$452,103,264
Total income	560,172,554
Paid policyholders	231,470,422
Total disbursements	363,553,524
Assets	2,399,912,075
Liabilities, except capital	2,215,367,682
Net reserve	2,029,001,097
Policies in force, number, 19,379,076; amount	11,487,960,263

The statistical returns of miscellaneous companies for 1904 were: Admitted assets, $140,584,899; liabilities, $117,585,615; income, $58,430,962; disbursements, $49,391,519.

Commissioner Upson says:

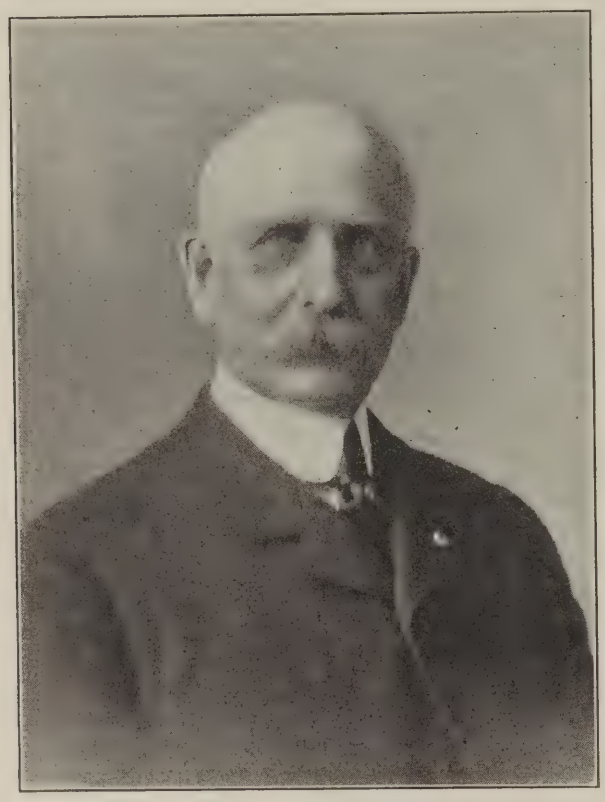
The year's record, as shown by the annual statements of the life insurance companies reporting to this department, is one of marked prosperity. The increased net assets, the large advance in insurance in force, and the substantial gains in surplus are notable features of the business. The companies and the policyholders are to be congratulated upon the satisfactory results of the business operations during the year just ended.

A receiver was appointed for the Connecticut Life insurance company of Waterbury, March 29, 1899, six years since. The semi-annual reports filed with me from time to time show progress toward a settlement of the company's affairs. Some matters are still before the courts to be determined.

The National Life Association was placed in the receiver's hands July 7, 1899, nearly six years ago. The outlook for a speedy settlement of its affairs is not encouraging. Information from the receiver indicates still further litigation in the courts before a final settlement can be made with the creditors of the association.

The winding up of the affairs of these two concerns will, I trust, mark the end of assessment life insurance in this State. It is to be hoped that the General Assembly will never again grant a charter to another company of that character.

Death of President Greene, of the Connecticut Mutual Life Insurance Company.



Col. Jacob L. Greene, president of the Connecticut Mutual Life insurance company, died suddenly at his home in Hartford on Wednesday morning at 7 o'clock. He had been suffering for some time with an intestinal affection, for which he was operated upon two weeks ago at Johns Hopkins Hospital at Baltimore. He was so much relieved that he confidently expected a restoration to health, and after his return home was making preparations for a journey abroad for full recuperation before resuming the active duties of his office. He appeared to be very well on Tuesday, and was in a cheerful and normal condition of mind and body. Early Wednesday morning he was attacked by distressing symptoms, and the family, greatly alarmed, sent for his physician, but Colonel Greene had lapsed into unconsciousness before Dr. Root arrived, and despite every effort to arouse him remained in that condition until death came. Dr. Root's opinion is that the cause was cerebral apoplexy, but he did not believe that it was influenced in any way by the recent surgical operation.

The members of Colonel Green's immediate household, including his wife, were with him at the last moments, but his son, Assistant Secretary Jacob H. Greene, of the Connecticut Mutual Life, was absent from Hartford on a business trip in the West, and his daughter, Mrs. H. B. Richards, was at her home at Buffalo, N. Y. Both were immediately notified and arrived in Hartford on Thursday. The funeral services took place yesterday afternoon at Trinity Church, Hartford, Bishop Brewster, of the Diocese of Connecticut, assisted by the rector of Trinity, Rev. E. de F. Miel, and Rev. Francis Goodwin, officiating. The interment will be made at Pittsfield, Mass., today.

Jacob Lyman Greene was born at Waterford, Me., August 9, 1837, and was therefore in his sixty-eighth year at the time of his death. He came from sturdy New England ancestry, and one great-grandfather, Major General Joseph Fry, of Andover, Mass., rendered valuable military service to the Colonial cause at the siege of Louisburg in the Old French War, while another great-grandfather, Lieut. Thomas Greene, of Rowly, Mass., was a gallant officer in the War of the Revolution. Born of such forbears Colonel Greene was naturally strong in body and mind. His earliest studies were in the local academies, but he went West for his college education, which he found at the University of Michigan. Before the time for graduation, however, the Civil War came on, and imbued with the soldierly spirit of his progenitors he volunteered at once as a private in the Seventh Michigan Infantry and marched to the front. His military career covered the four years of the war and one year following, during which he rose by successive promotions to the rank of lieutenant colonel. He was taken prisoner at the battle of Trevelyan Station, Va., in June, 1864, when he was assistant adjutant general on General Custer's staff, and resided in Libbey and Charleston prisons until his exchange. After the close of hostilities he was with General Custer in Texas as chief of staff, until the command was mustered out of service. Colonel Greene's army record was that of a brave and skillful soldier and officer.

He embraced life insurance as a vocation as soon as he returned to the pursuits of peace, and after doing agency work at Pittsfield, Mass., accepted a position with the Berkshire Life insurance company as assistant secretary. His rare executive ability was so speedily made manifest that he was invited to the assistant secretaryship of the Connecticut Mutual Life, and thus began his life work in the upbuilding of that great corporation. That was in 1870, thirty-five years ago. The history of the company is that of Jacob L. Greene. He was its animating force, and with the sagacity which inspired all his executive acts he unerringly selected the right men as his assistants. He became secretary in 1871, and on the death of President James Goodman, in 1878, succeeded to the presidency. In some respects Colonel Greene, although he was not the head of the largest company, has been the most conspicuous man in the life insurance business. He made a stand for insurance devoid of speculative features, and his annual reports on the condition of his company, published far and wide in the United States, in which with remarkable literary ability he fought for his principle, kept him continually in the public eye.

Colonel Greene's activities were not confined to insurance, although that was his first and greatest love. He was a public spirited citizen. In whatever was good for his fellow man he was earnestly interested. He wrote and spoke frequently in behalf of the various movements for the promotion of morality and religion. He was prominent in Episcopal church counsels, a leading member of the church temperance society and a trustee of the bishop's fund. His social connections included membership in the Connecticut Society of Colonial Wars, Society of the Sons of the Revolution, the Loyal Legion and Grand Army of the Republic, trusteeships in the Berkeley Divinity School, Wadsworth Athenæum, Watkinson Library and Church Home and other Connecticut institutions, and membership in the Hartford clubs. He was much interested in Trinity College, Hartford, a trustee in 1893 and secretary of the board in 1896. The college conferred the degree of Doctor of Laws upon him in 1904, and Yale University conferred the same honor in 1898. He was also a prominent member of the Masonic fraternity, a Royal Arch Mason and Knights Templar. He was a member of the Connecticut State Commission of Sculpture, Connecticut Civil Service Reform League, American Historical Society, Association for the Advancement of Science, Hartford Golf Club, Century Association of New York, D. K. E. Club, Monday Evening Club, ex-president of the Charity Organization Society and a warden of the Borough of Fenwick.

Among his financial and business connections were the Connecticut Trust and Safe Deposit Company, of which he was vice

president; the Hartford Society for Savings, of which he was a trustee, and the Phœnix National Bank and Hartford Fire insurance company, of which he was a director. When the Western silver craze threatened the country he was a delegate to the Indianapolis gold standard convention and wrote several notable papers on the subject at the time. Three years ago, when President Roosevelt visited Hartford, Colonel Greene was the grand marshal of the parade and presided at the monster mass meeting at the Coliseum, when the President addressed one of the largest assemblages ever gathered under a Hartford roof. He was grand marshal of the parade last May, when were held the joint meetings of the Society of the Army of the Potomac and the encampment of the Connecticut G. A. R. in Hartford. He was also grand marshal and a prominent speaker at the inauguration of Flavel S. Luther as president of Trinity College in October last. He was ever ready to lend his aid and voice to any public occasion of value to the community in which he lived. Of Colonel Greene's qualities of heart and manners it need only be said that with a charming personality, fine presence and kindly, helpful disposition he was one of the most popular of men. He is survived by his wife, who was Miss Caroline S. Barrow, of Pittsfield, Mass.; a daughter, Mrs. H. B. Richards, of Buffalo, and a son, Jacob Humphrey Greene, born in 1868, formerly a journalist and now assistant secretary of the Connecticut Mutual Life.

TRIBUTE OF PRESIDENT LUTHER, OF TRINITY COLLEGE.

President Luther, of Trinity College, on learning of the death of Colonel Greene, wrote the following tribute to the man for the press:

In the confusion of mind attending a shock like that which follows the announcement of the death of Colonel Greene, it is difficult indeed to write one's estimate of him.

We simply feel a bewildered sense of loss and find ourselves groping for something to steady our thoughts.

What can we say more than that the community is bereaved of a true and honorable citizen and servant—one who could be trusted, and who, as a steward, was found faithful? What greater thing can ever be said of any man?

Among the many and great interests that suffer, the writer thinks quickly of Trinity College.

Colonel Greene became a trustee in 1893 and secretary of the board in 1896. During most of his incumbency he was a member of the executive committee. By his wise counsels and unfailing devotion he made himself an honored leader in collegiate affairs, early becoming an expert in academic problems. He received the degree of doctor of laws from the college in 1904.

A brave soldier, a trained lawyer, a superintendent of great business interests, a director of the progress of learning, has been taken away. In time, perhaps, others may learn to discharge in some fashion his manifold duties and to use the tools which have fallen from his hands; but his place in the hearts of his friends will not be filled, nor shall we who today are mourning forget things that cannot be expressed in words nor measured by any part of man's devising. F. S. LUTHER.

TRIBUTE OF MR. HAYDEN TO COLONEL GREENE IN 1897.

Colonel Greene was the Connecticut Mutual Life and what Mr. H. R. Hayden wrote of the company in this paper eight years ago was in essence a eulogy of its president. The relations between the editor and the underwriter had been intimate and uninterrupted many years and there can be no doubt that Mr. Hayden's whole heart was in this fine tribute to his friend:

It (the company) has been for a half century—and we believe all underwriters will agree with us in this—a faithful exemplar of all that is best in life insurance. Particularly during the trying times of the past quarter of a century—one-half of its corporate life—has the Connecticut Mutual kept the faith unswerving and stood like a wall against the inroads of greed and gain.

Of course it is easy to say that a man stands too straight, that he is a puritan, that he should do as others do, that when they pursue a certain course he should follow, but deep down in our hearts we admire the man of courage, and above all, the man of moral courage, the man who stands "against a world in arms and natheless will not bend."

Fortunately the Connecticut Mutual found such a man, and he found worthy seconds. We talk about the giants, nowadays, meaning the companies that have succeeded in securing the greatest amount of business. Well, the Connecticut Mutual was *the* giant once. Does anyone suppose that it cost no pang to the officers of the Connecticut Mutual to abandon that position? If so, he does not know how hard it is to give up the straws of success for the substance, to say this is right and I will follow it, rather than this will bring applause and personal success to me.

We were glad to see last December, on its fiftieth anniversary, the letters of congratulation which came from presidents of other life insurance corporations to the Connecticut Mutual. They all seemed to feel that the company had stood for life insurance pure and simple, like "the shadow of a great rock in a weary land." No longer a giant in size, no longer a giant in noise and bluster, but still as ever *the* giant in achievements, ever faithful to its trust, through whatever of storm or stress it might have to pass, a rock under whose shelter no one need be afraid of the tempest.

We are no hero worshipper. There are some things in the management of the Connecticut Mutual which we think could be and ought to be bettered. There are a few things in which some of its contemporaries have an advantage, but on the whole we do not know of any life insurance company which has so entirely filled the measure of what a life insurance company should be as this modest Connecticut corporation, which dares to be great only when greatness is also righteousness.

Miscellany.

The Equitable Life Assurance Society—Hearing on the Directors' Mutualization Plan at Albany.

The hearing given by Insurance Superintendent Hendricks at Albany on Tuesday on the application of the Crimmins committee of policyholders who oppose the plan of mutualization adopted by the board of directors (which was printed last week) was largely attended by members of this and other committees of policyholders and legal counsel therefor. The superintendent had a conference behind closed doors with Elihu Root, W. C. Sullivan, Bainbridge Colby, William N. Cohen and John B. Stanchfield, representing the various interests in the company's administration, and Frank H. Platt and Edward Lauterbach, representing the Crimmins committee. At the close of the conference Mr. Platt made the following announcement to the gentlemen assembled in the waiting room:

Superintendent Hendricks desires me to say that counsel on both sides of this matter have held a preliminary discussion before him, and it has been determined to adjourn the hearing for one week at the same hour, in the hope that in the meantime the contending parties can reach an amicable settlement.

There was a protest made to this by a man claiming to represent policyholders in the northern part of this State, but the superintendent did not change his decision.

Several meetings have taken place in the city of New York since Tuesday between directors of the company and members of the policyholders' committee, at which counsel for both sides have been present. It was learned yesterday that the Crimmins committeemen are divided among themselves, the most radical persisting in no compromise short of the immediate election of a new board of directors by the policyholders *en masse*, and the others, of which Mr. Crimmins is one, leaning toward the compromise now said to have been tentatively reached by the conferees. Superintendent Hendricks has been in the city lending his advice to both parties.

Senator Brackett has filed with the Attorney General a petiton asking him to begin an action in the name of the

people for the removal from office of Vice President Hyde and Director Jacob Schiff, and such other directors of the Equitable Life as may be proven guilty of misconduct toward the interests of the policyholders. The petition is brought in the name of Senator Brackett himself, Mary S. Young and others, from Saratoga, as policyholders. The petition alleges, on information and belief, against Mr. Hyde that the ball recently given by him in New York, and a dinner to the French Ambassador, and also his trips to Europe were really at the expense of the Equitable Society rather than of Mr. Hyde himself; and against Mr. Schiff that he sold bonds to the society while himself a director.

Regarding these and other allegations made by the sensational press, Senator Chauncey M. Depew, a director of the company, gave out the following statement on Thursday:

The charges are absolutely and unqualifiedly false. The Equitable is absolutely solid and its management challenges the most rigid investigation from the most hostile sources. Its investments are made only after the most thorough inquiry into the securities offered, and they have been uniformly successful, and none but the policyholders have profited thereby.

To show how carefully its funds are handled, let me say that at every meeting of the executive committee a list is submitted from nearly every banking house of importance, stating what securities they have to offer, what the prices are on that day, and all other information concerning them. The offers are taken up, one by one, and each member of the committee expresses his opinion. If the opinion is not unanimous the offer is rejected.

Offers from banks in which directors of the society are interested form a very small proportion of the offers in general that have been accepted, and there is absolutely no partiality shown. It is necessary to have banking men among the directors, as they are the men who know best about the investments.

If it be asked why we go to the bankers in seeking our investments, it may be said that there is nowhere else to go. If we tried to buy in open market prices would go soaring every time our demand became felt. Bankers always offer securities at as near the rock bottom prices as it is possible to get, and in the vast majority of cases it would be quite impossible to get anything like the terms in other quarters.

There has been absolutely no wildcat speculation with the funds of the society. I am a member of the executive committee and am in a position to know that every investment has been made with greater care than a man would exercise in handling his own affairs. A man in investing his own money might be tempted to take chances. We take absolutely none. It is necessary that the directors of great insurance companies should be men of affairs. Only men with extensive business interests are in touch with big enterprises, and only they are able to tell what will prove the most judicious investments.

As to the charges of extravagance and mismanagement of the society's business, they are absolutely false. The checks employed against such mismanagement are as nearly perfect as can be devised. No outrageous expenses are allowed to any officer or employee. The executive committee passes on all accounts, and such charges would not be tolerated for an instant.

The directors of the Equitable are not dummies, and the statement that they are becomes altogether absurd when one looks at the men who make up the board. Does anyone suppose for an instant that those men would consent to serve as dummies on any board? They are all men of integrity and experience—men who hold opinions of their own and who act as they believe to be right.

The critics ask what becomes of the enormous surplus. Part of it goes to the policyholders by way of indirect dividends and part is kept to meet a possible emergency. A large surplus is imperative, as is too well known to all conversant with the business of life insurance. It is necessary in order to be prepared for the possibility of any great plague. Of course, plagues are not likely to occur in these days, but a life insurance company has to be prepared for such contingencies, just as a fire insurance company has to be prepared for a great conflagration.

Every holder of a time policy or a paid up policy receives a benefit in dividends from the profits of the society. Only the holders of straight life policies are not benefited in this way. Finally, let me say that the Equitable Life Assurance Society is as strong, if not stronger, than any insurance company in the world; that its affairs are competently and judiciously run; that they are run for the benefit of the policyholders exclusively; that the officers and directors receive neither directly nor indirectly any gain from the profits of the business except that to which as policyholders or stockholders they are entitled; that the funds of the society are not used in speculation or squandered, and that the Equitable is as sound as any savings bank, sounder than most of them, in fact, for its has a splendid surplus.

Senator Brackett on Thursday introduced his threatened bill in the New York Legislature to repeal Section 56 of the insurance law, which requires a policyholder of a life insurance company to bring suit against it for an accounting through the Attorney General.

Making a Fire Insurance Man.

The following is a talk recently delivered by Elijah R. Kennedy to the Evening School of Accounts of the University of Pennsylvania:

I have come over here just to have a plain business conversation with you. Dr. Meade has tried to persuade me that fire insurance, and when we say insurance during the evening please consider it restricted to fire insurance, is now or soon will be a learned profession. I myself, having been in it for thirty odd years, regard it as a business and do not rank it with those professions which require a liberal education and a university degree, and yet I think it is a dignified business. A dress suit is a dignified suit, and yet I have seen men late at night who were undignified in dress suits, so I suppose we could find men in the fire insurance business who would not justify the description of dignified, but I think the business itself is one of dignity, based upon its essential, and indeed, its indispensable character. Without it commercial credit, which is today a larger element than cash, could scarcely exist. You have numerous warehouses in Philadelphia where there are goods under one roof—to say nothing of the value of the buildings—worth more than a million and a half of dollars, and I undertake to say that without the judicious use of credit these great concerns could not exist. There would be much less important, less commanding, and therefore less beneficent institutions in the city. When a merchant goes from a little town to a business capital where goods are sold by jobbers, unless his credit is beyond question, one of the matters that he must satisfy the jobber upon before he will sell him and deliver a bill of goods is that he keeps well insured. Commercial credit, as it is known in this country and Great Britain and the world over, could not exist without fire insurance. I find it a very interesting business, but I am not going into the theory of it much. There are many things which insurance men talk over among themselves, and which you, if you become insurance men, will talk over, but which need not be discussed tonight. They are largely of a technical nature. I am going to tell you just

HOW THE INSURANCE BUSINESS IS DONE

and see if it will not interest some of you. It has its adaptability to large towns and small ones. Let us begin with the business right in New York or Philadelphia. You have here some of the largest corporations, devoted to fire insurance alone, that there are in the world. In doing their Philadelphia business they have a man standing behind their local counter. In New York we call him the application clerk, or the superintendent of city business. He has a lot of very large maps. Those of you who are literary know what elephant folio is. They are as large as that. On these maps every building within the city limits is shown, on a large enough scale to tell, by the color, whether it is a three or six story building; whether it is brick, stone or steel; whether it is fireproof or not, and every elevator shaft and stairway is shown. A young law student from Madison was in my office the other day. I took him up to my agency department and showed him the map of Madison. I asked a clerk familiar with Madison to locate the young man's house. I said: "You have recently added a new piazza to your house." He was very much surprised and wanted to know how we knew that. An application is made for insurance on a factory in West Philadelphia or Germantown. A clerk takes up the map. There are quite a number of maps for a large city like this; thirty-three volumes of about twenty pages each for Philadelphia. In Manhattan we have about 200 pages. The clerk turns to the proper map and sees the general location of the risk. If it is of a very hazardous nature he may say to the man offering the property for insurance: "When do

you want it?" If it is wanted at once he may say: "No, I want to have a look at it first," or he may say: "I will bind it for you now, and if after having the property inspected I don't like the risk, you must release me at once." Then this man decides whether he wants that risk. He sends his inspector to look at it. The inspector has a printed blank for the purpose and fills in certain details regarding the construction of the building and its occupancy. Then a man looks up the commercial agency report to find out whether or not the applicant for insurance is in good credit, or whether a fire would be a fortuitous circumstance, and decides to issue the policy or not. That position is a very valuable one indeed. I know a man who gets $7,000 a year for simply standing at a counter and doing that. I don't suppose anyone who was qualified would get less than $1,800. He has an assistant who stands by the counter when the chief is at lunch or out to see that a lot of expirations don't get away, and he does not hesitate to bind dwelling houses, retail meat markets and things of that sort that you could take with your eyes shut because they are of such a slight hazard, and he may, if necessary to secure the business, bind a more hazardous property; but his chief will look it over afterward. Each has an assistant, and when the man is elected to an office he has an assistant ready to take his place.

In this city business there is a man who is called the policy writer. You can understand that he ought to write a plain, good hand, and rapidly. He must have a good knowledge of arithmetic in order to figure the premiums. There are odd periods and it won't do to make a mistake, as it is not a matter which is checked up. A premium is often so small that a company cannot afford to pay two men to do the same work. Of course the buyer of the insurance is liable to look after that matter.

Then that policy is taken and entered upon a register. There is a man for that. He must have a good, plain handwriting. Insurance is not the only business in which a good, plain handwriting is a very important matter.

Then there are young fellows who look up the commercial agency reports and indicate on a blank prepared for the purpose how the man rates. Then there are confidential sources of information with regard to moral hazard. If the indications opposite those are suspicious, then the chief of the city department gets fuller information and looks it all up.

That Philadelphia company whose local business we have been describing does business in New York, Boston, Chicago and perhaps 5,000 other places. The business of those places is done by agents. Let us take, for example, the agency of a New York company, a British company, or the agencies of a half a dozen companies right here in Philadelphia. Here is a man who has learned the business through the course I have described, and has been promoted to be application clerk. He learns that the agency of a very important New York company is to be disposed of through death or retirement with riches of the previous agent in Philadelphia, and he brings as much influence to bear as is possible and gets the agency. He does the same thing for that New York company, right here, that the agent of the Philadelphia company does in Boston, Chicago or St. Louis—he has just such an organization, the only difference being that he must fill up certain printed blanks supplied by the companies. The companies furnish their agents with supplies—policies and printed blanks for reporting every detail of business done by the agent. The first thing that goes to the company is a daily report. We call it a D. R. That D. R. has room for the writing upon it, or for the attaching to it with paste, of the written portion of the policies and all the written details. That comes into the head office here in Philadelphia, or, if it is a New York company, goes from Philadelphia to New York, and what becomes of it I shall speak of later. This young fellow, having opened an office, some British company which is not quite satisfied with the way its Philadelphia agency is being conducted decides that he is a good man and transfers its agency to him. Within three years the young fellow has the agency of perhaps five companies and he is making $5,000 or $10,000 a year profit. One company hardly pays. While he gets a commission from the company his rent is considerable. He must be in a good neighborhood, say around Walnut and Fourth or Fifth. His maps cost him a good deal, and also his clerk hire. If he is intelligent and worthy he will get other companies. The companies are looking for good agents just as much as the agents are looking for good companies.

I spoke of the risks being surveyed when the applications come in. No man will be a good man to stand at this counter, or a good man to review the business of this local agent, unless he has inspected risks himself. He will never have an intelligent understanding of the reports made by his inspectors unless he has inspected risks of the same class. Not everything, but very,

VERY MUCH DEPENDS ON YOUR INSPECTOR.

I do not want to be misunderstood as favoring superficial learning. If a man is to follow chemistry he should be a very good chemist; if a man is going to take up electrical engineering he should be thorough in his preparation, but in being a good insurance man, if he can have some knowledge of chemistry, electricity, building engineering—some knowledge of the fire resisting qualities of building materials, some knowledge of the effect of time and climate upon building materials; some knowledge, especially, also of steam, all that is very valuable. One man cannot be the master of all departments of learning, so I mean to say that you cannot expect your insurance inspector to be a thorough chemist, a good electrician and a competent building engineer, but the more he knows about all those matters the better he will be able to detect and observe and intelligently appreciate the hazards of the risks which he examines. You would be surprised to know how much an intelligent fire insurance inspector learns of manufacturing processes and how many new manufacturing processes are invented every decade. I used to do the inspecting for my own office when I was first in the business, yet there are now many, many kinds of hazards which are very dangerous, which I never saw. Once in a while I take a look at one of them.

If you can get some groundwork of chemistry it will make you very valuable in an insurance office. Electricity is another thing it is well to have some knowledge of. Electricity has probably caused more dollars of loss than any five other causes. Defective flues cause a great many fires, but they are usually in dwelling houses and the amounts of the losses are not large; but when an electric wire gets crossed in a place where there are goods on which there is $400,000 of insurance then a large loss results. If you know something about electricity it will be very useful to you, so you can see how a general knowledge of what exists in factories, mercantile warehouses and such places is important to you as an inspector. You certainly should know what articles and what elements combined are capable of producing spontaneous combustion. Take the storage business in any large city. Spoken of as a class it is about as desirable as any class of insurance—unbroken packages and nothing but safety lanterns taken into the building—but put jute butts in there, let them heat awhile and you will have a fire, because they are susceptible to spontaneous combustion. Green coffee won't burn that way. So if you find jute butts among a half a dozen other kinds of merchandise it would be your duty to tell the company, and while jute butts are important, and should be insured, your company could not write at as low a rate where jute butts are present. All those things which produce spontaneous combustion you must know if you are an inspector, but our business is organizing more and more for effectiveness and economy in inspection. You have such organizations here in Philadelphia. In some places where there are not such large cities the territory for such an organization may cover three or four, or five cities. For instance, the Middle States Inspection Bureau and the New York State Association. These bureaus employ specialists. Take our New York City Board of Underwriters. We have a number of men who do nothing whatever but examine electric hazards and risks. I don't ask my inspector to pay special attention to that. We put a clause in our policy saying that if in your place insured by this policy you use electric current without the approval of the New York Board of Underwriters, or if you make any changes without their approval, the insurance is void, and we shut our eyes on that. So while it is well for you to be learning more and more about electricity, in the large cities it is not so indispensable.

Then again we have in New York inspectors who pass upon the effectiveness of equipments of automatic sprinklers. Great tanks of water are put on the top floor with pipes all through the building, running along the ceiling every few feet. The openings from that pipe are sealed with a solder which, in a mercantile warehouse, is set to melt at 135° Fahr. Of course, if the pipes were to be in a drying room a much harder solder would be used. One sprinkler would wet a place almost as large as this room. Two or three would do it better. That is a wonderful device. A man may have a good deal of knowledge about sprinklers, and yet not have the time, in looking after a $5,000 insurance line, to measure up that sprinkler equipment where the premium may be only $50, or to see if the pump for supplying it is ample, and whether the leader to the tank is sufficient. Of course, the water in the tank will not last long and must be promptly replenished. The valves in the pipes carry with their opening an automatic warning to the engineer. He may also not have time to see if the pipes through a single room are large enough—whether the diminution of the size of the pipe is too

much. All those matters are left to specialists. At the same time it is a good thing for an inspector to know as much as possible in regard to automatic sprinklers, because even a specialist, who gets rather mechanical, may overlook a thing that a bright, keen, alert inspector would see by instinct. In many departments there are specialists; but, all the same, it is intensely interesting to inspect risks, and the inspector in a large city like this lives at home and takes his dinner with his family every evening. I shall speak differently about that matter when I come to the business of smaller places. When

THE REPORT OF THE BUSINESS

comes from a New York agency to a Philadelphia company, that goes into the office here in Philadelphia, and then into the general agency department, to different men than those engaged in attending to the local business. One man there looks into the moral hazard. Another looks again into the financial and commercial rating. Another sits down and reads the report through. He has had his experience in lower positions and is called the examiner of daily reports. Something in the form itself strikes his experience as rather novel, and he writes a letter to the local agent, saying: "Did you notice such and such a form applying to two different buildings?" The local agent replies: "Well, I didn't notice that. I will have that corrected, so that a man cannot insure two lots of goods in two places under one insurance." Then he takes this daily report and goes to the map, as the head office has maps of all the places where it has agencies. In the office of the Fire Association of Philadelphia I dare say they have $40,000 worth of business maps. If the business comes from New England it goes to a man familiar with the New England territory. It may be so plain a case that he checks it and lets it go into the records, or it may be a case where the special agent of the company will subsequently examine it. I will revert to the duties of the special agent later.

There are a lot of men recording in this business. They begin at about $8 a week, and they get to $18, then they get promoted to other positions if they are any good. There are a good many men who are no good. Their mothers are just as fond of them as the mothers of geniuses are of them, and they serve different useful purposes. The man with his $18 a week will often live as contentedly and happily on it as a man getting $4,000 a year. There are thousands of men working at from $8 to $18, but many expect to get promotions. In doing the business they become familiar with its terms and character. One of these young clerks is finally taken to assist the examiner. He throws over the dwelling and household furniture business to his assistant and he says: "Unless you see that you are right up against another risk pass it." Prudent companies are very careful not to write as much on one out of many risks as they would on one isolated risk. So this young fellow is allowed to check up dwelling houses, and finally is entrusted, during the summer vacation, with the examination of other hazards, and when the examiner comes back he hastily looks over the work and judges whether his assistant is becoming expert enough to be allowed a promotion.

By and by there is an assistant secretary wanted. The officers think: "There is that examiner of Western business. He is a bright, intelligent fellow and will be an agreeable man for our directors to meet, and we had better take him out of the underwriting department." He is elected secretary, and in a little while he is made president of the company. Most of the presidents in the United States today began as clerks, and most of began in the companies of which they are now presidents. I think there are few kinds of business (and I have lived in New York for forty years) where family or outside influence counts for so little when compared to a man's knowledge of the extremely technical character of the business as in fire insurance. A man cannot take his nephew at your age and put him in a place that a man of your age experience in the business could occupy, unless he has had some training for it, and if he is a rich man's nephew he does not like to stop and work up, and the consequence is that he usually avoids fire insurance. The boys start in at $3 a week. They do not usually rise very high because they have not had the necessary preliminary training; but the men of the average age that I see before me can start in half way up the ladder of insurance and can get a chance for promotion through developing their fitness. There is always good hope for promotion. Sometimes it is rapid and sometimes it is slow. As some say, there are down waves as well as up. There are bad years for banks and there are bad years for insurance. In bad years the weaker companies fail and their clerical force is thrown on the market. Then there are very few promotions because there are many men trying hard to get in. There is now quite a demand for help. Last year the insurance companies, if it had not been for the Baltimore fire, would have had the best year for fifteen years. I have been speaking entirely about the business in large cities, whether it is at the head office or the agency.

THE SMALLER TOWNS,

of course, offer a very hopeful field for insurance companies. If a man was raised in a pretty little village up in the Mohawk Valley his home attachments may be such that he would rather go back there than to go to the metropolis. He goes up there, and, having a large acquaintance, says, "I will start an insurance business." There are textbooks of instructions to agents just starting. In almost any place there are companies very eager for more business. In the small towns three or four companies could do all the business, and yet there are a hundred to strive for it, so this young man, with good family connections, comes back. He combines fire, life, accident and plate glass insurance, and a real estate agency and the selling of coal. Perhaps some other things also. I speak now only of the fire insurance branch. The first thing he does is to look over the list of companies doing business in his village. It is easy enough to find this out, as all agents must file their certificate once a year with the county clerk, and this information can be obtained by writing to the office of that clerk. He says: "There are only forty companies here and I see that there are 140 companies doing business in the State." He writes what he thinks is a polite and alluring letter to about twenty of the best companies not represented. Out of the twenty perhaps two of them answer. They write: "Our special agent will be through there in a few weeks and he will call on you." The special agent is the traveling salesman of the insurance company. He calls on the local agent and finds him a bright young man with good connections, and he says: "We will appoint you our agent and will give you 15 per cent. commission," which is the usual commission. "We will give you a nice, large stock of elegantly printed blotting paper, and we will send you necessary supplies. Write all you can get on all the dwellings here. On retail shops write about $2,500 on an average." He offers to walk around the town with the new agent, and as he passes the factories he will say: "I would not touch that; that I would take if I could." By doing this he is of great assistance to our new agent. He sends in his business, which is pretty carefully examined by the examiner. The examiner writes him a letter. If you are ever the one to write such letters, I want to say, write courteous letters always. The insurance business is hurt about as much by sarcastic letters as it is helped by kind letters. This examiner—who has not the dyspepsia and plays golf Saturday afternoons—is a little careful, and he thinks that the young fellow has written a little too much on this planing mill. But he decides to carry it. So he does not disturb the local agent. Perhaps he reinsures part of the risk in another company. Then he says to the special agent: "You go around there and mark on his book: 'Renew for $1,500' (the original policy being for $3,000), but we will let it all run the first year."

Now this young chap works up his business. The first five men he calls on say: "Certainly, we will give you a line. We have just renewed our insurance for this year, but you take the date of it, and next year you come around about such a time and we will give you an order." Next year he generally gets the renewal of that, and the snowball grows. By and by the officers of the company say: "This man is an enterprising fellow. We will let him write insurance in five or six outlying villages as well as in his own." We will now take up

THE SPECIAL AGENT.

He starts at $1,000 a year. He has been assisting the examiner of daily reports and has learned a little about the business. He says: "That examiner is a mighty healthy man, and I don't want to wait for his place, and besides I want to get on the road anyway." At a certain time in his life most every man want to go on the road, but he is equally sure to want to get off of that work later. It is an extremely valuable experience to a man to have traveled as a special agent. He learns where the prosperous districts are and where the unprosperous districts are, and the latter he avoids. For instance, along the line of the New York Central the towns and villages have been very prosperous, while the places along the Erie Railroad have not shared in the prosperity of the northern part of the State. He pushes business in the former district, but if he does any business along the Southern Tier of New York State he does it with extreme caution. In the northern towns he pushes along; in the Southern Tier he holds back all the time. He knows who the unfortunate men are who have been careless and have had fires in his territory. By and by, after having traveled a good many years and having

reached perhaps as high as $7,000 in salary (most of them are getting from $2,500 to $4,000), he is wanted in the office. Perhaps this examiner of daily reports did not have an assistant familiar enough with risks in his special territory, so the company says: "We will take Smith. He has been on the road for a number of years and wants a chance to get a place where he can be with his family more." By the way, these special agents frequently have to break up their homes, if they are married men, in order that their families may be where they can get back to see them often. That is one of the hardships of a special agent; but, on the other hand, the special agents who have been traveling quite a good deal before they are married think it is quite a luxury to get into as nice a town as Syracuse. The special agent comes into the office and the young fellow says: "I would like that job." The company says: "Our business is pretty well established, we will try you for a year." The young man goes out and gets raises right along. Finally a new company starts in. They are looking for special agents and they say: "We will give you $4,500 to leave your present place and come with us." There is one of the opportunities and one of the perils of men in every department of business—

TO CHANGE TOO OFTEN

for the mere question of salary. I had a young special agent and was paying him $1,200. A New York city company offered him $1,800, and he said: "No, I think Mr. Kennedy will pay me all I am worth." The president of the company respected him for it. It was two years before he got $1,500 out of me, and then a Connecticut company said to him: "We would like to try you as a special agent. If we like you, in one year we will bring you into the office." In less than a year they brought him in and in less than three years he had reached a very high position with the company. That was largely because he had refused a 50 per cent. raise in salary. Don't change too often, but get the reputation for fidelity to your company and of sticking to one thing long enough. There do come times when the offer from the other company is so advantageous, in respect to money and also in respect to opportunities in the future, that it justifies you in changing.

The position of special agent is one of hardship, but also of high importance. It qualifies a man for the highest positions in the head offices, and if a man is intelligent and does not waste his nights but retains all the good qualities of his young manhood, the opportunity to travel for a fire insurance company is very valuable indeed. The special agent must have another quality. He must be able to adjust losses. That is a special line of business. There are good adjusters and bad adjusters. My observation is that most insurance companies desire to pay all that they ought to, and yet there are some adjusters guilty of rather sharp practices. It is the tendency of the man. If a man is born so he is a fair man, but if he is born with talons he will be all grab and not at all let go. A special agent can do his company a good deal of harm. To be a good adjuster does not mean to fritter your company's money away and pay everything claimed. There is the contract. You agree to pay a man—not $5,000 if his property is burned. A man doesn't pay you $20, and in the event of loss get $5,000. You simply say that within $5,000, or up to that limit, we will indemnify you for whatever loss or damage you have, and therefore it is the duty of the insurance adjuster to examine into fires and find out just what loss a man has had. A good special agent will be helpful, and will find out the loss and settle it. The adjuster finds that a great many men are trying to "do" him, and he comes, almost imperceptibly to himself, into an attitude where he almost tries to "do" every man, and when he is that way he ought to be taken out of the adjusting business and put at something else. I have spoken enough about how the insurance companies do their business from the standpoint of the underwriter. I want to say, for your encouragement, that there are a good many presidents of companies getting $25,000 a year salary. There are a great many vice presidents, not men who merely act in the absence of the president, but men who have charge of certain departments of the business, who are getting $10,000 and $12,000. There are a great many secretaries getting from $4,000 to $7,000.

NO MAN GETS RICH IN THE FIRE INSURANCE BUSINESS.

There are economical and philosophical principles that obtain pretty generally throughout all commercial forces. The man who gets rich in business is the man who combines the investment of his capital with the investment of his genius. It is someone else's capital that the officer or agent of an insurance company is using.

There is a great deal of stability to the fire insurance business. Perhaps a clerk will save up and invest in some of the stock of the company and one of the officers will say: "Did you notice that that application clerk down at the counter has 3,500 shares of our stock?" He says: "Well, that man is a man of character." And his election to the assistant secretaryship comes sooner. But men don't get rich in a business where they don't invest their capital. The insurance business guarantees a man a very fair living. If he is a commonplace man he has a very large market in which to sell his services. If he is a brilliant man he will get some of the rewards I have fairly and moderately stated. The great rewards are the chief official positions in American companies or the American management of some European companies. The European companies send over funds, they appoint managers, and those managers are as independent almost of the head offices as if the head offices did not exist. Those are some of the great prizes of the business. Those men who have been examiners of daily reports and special agents are the chaps generally selected as assistant managers, and then when the older man dies his assistant gets the place. Those places pay all the way from $12,000 to $25,000, and probably there are two or three men making even more. Sometimes they get a share of the profits. There is another side to the business. In all the cities there has grown up a feature called

BROKERAGE.

The insurance broker is a man who acts for the property owner, and he comes up to this counter and receives what his property owner wants. You have a lot of brokers in Philadelphia, very skillful, talented, able and expert men. Here is a great concern with $2,500,000 insurance. They could not spare the time of their bookkeeper or head man to attend to that insurance. Now, if they will put that business in the hands of a broker his commission will be perhaps 12 or 15 per cent., and it does not come directly out of the pockets of the insured, because the companies have a way of paying commission to the broker which they would not pay directly to the insured. The broker, by looking after the interests of the insured, and seeing that the form is all that it should be to guard his interests, justifies his existence. That is a very independent position. A man who has a good brokerage business is not confined to a single house. Most men have the broker spirit, and if a man can get more insurance than he can place with his own companies he will divide the rest with some friendly rival agent who will divide his commissions with him.

The law of fire insurance is very interesting to anyone in the business, whether as a broker or agent. You need not become thorough electricians and chemists to be adjusters; neither do you need to be a lawyer to be an insurance agent, but the more you know about the law of insurance the better. You won't be able to learn it all in one year or thirty, but it is easy to learn. Take an insurance policy, such as any agent or company will give you after cancelling it. Begin and read over the policy until you don't understand what it says, and then go and ask some insurance man what that means, and in a year, if you are inquisitive, studious, patient and persistent, you will be a pretty good insurance lawyer, and if you want to do a brokerage business you will be surprised to see how useful a knowledge of insurance law is. You go into a man's factory in Germantown and say: "I would like to get the placing of your business. Let me look over your policies." There have been some new legal decisions and there are insurance journals carrying the news of these decisions. On thing they do is to give you the latest court decision from any State in the Union or from the Federal courts. This man lets you look over his policies. You say: "There is a little loophole. Under the strict interpretation of the law the insurance company would not have to pay for a certain loss, although, of course, they might as a matter of fairness." He says: "You are a smart chap. You can have the insurance."

The law of insurance is very interesting. The insurance contract is not an insurance of property. Property is not insured at all. It is the individual or the corporation who owns the property who is insured. This company insures you against loss through the destruction or injury of certain property. There is no moral hazard about the property, but there is in the person, and if there is any change in the ownership of that property which is insured, without the consent of the company, the policy is vitiated at once.

I could tell you more about the brokerage business, but I shall not take the time. I will say this: There are certain qualities of mind and character which are indispensable for success in any business. First, honesty, but more than the restricted sense which we attach to that word, the broader sense of integrity and personal honor—I don't know of any business, unless it be bank-

ing, where honor and good faith are more essential to success in dealing with the officers and directors of your company and in dealing with your patrons, than in the insurance business. Insurance business does not generally come to anybody. Nothing comes without reaching out for it. There is a tremendous rivalry and competition. Consequently keep good natured. When you lose a trick in the game smile and say: "There is to be a new deal." If this broker has got away with a renewal of one of your risks this year don't try to harm him, but try to do better for your customer than the other man did. To do better is to succeed. You have heard the old story about the young student who said to Daniel Webster: "Mr. Webster, do you think the legal profession is overcrowded?" And the answer was: "Well, my young friend, there is always room at the top."

There is more room at the top in the insurance business than in a great many others, but there is also a great deal of room half way up. It is a decent business. It is indispensable in the existence of credit and to the carrying on of trade as it is done. You will find it interesting in technic, the learning of the hazards and the studying of new risks, and saying: "Well, there is a new one on me. I am going to have a look at that myself." I judge by the looks of you that many of you would make good insurance men.

British Life Insurance Returns for 1904.

(*The Insurance Journal of London.*)

The statements of accounts and of life insurance and annuity business, and of actuarial reports deposited with the Board of Trade during the year 1904 by 111 insurance companies, are issued in the form of a blue book. Colonial and foreign companies are not included in the summary which follows the statistics, as it is impossible to ascertain what part of their business is transacted in the United Kingdom. There remain seventy-five companies classed as doing ordinary insurance business and twelve industrial, besides nine others which appear in both classes. The insurance in force in the ordinary class, including endowment assurances, is £686,328,174, and the industrial companies show a total of £234,217,606, making £920,545,780 in all, exclusive of annuity business amounting to another £2,321,000. The total funds show an increase of over £11,900,000, as compared with the previous year, being now £304,648,252. Premiums, £34,504,400, and interest, £10,842,200, also show a considerable increase. The expenses of management were £3,966,000, and nearly £4,000,000 were paid in commissions.

The principal interest of the Blue Book is to be found in the summary of the revenue accounts and balance sheets, and the table giving the assurances in force.

The principal items of the revenue accounts are as follows:

REVENUE ACCOUNTS.

Items.	Ordinary.	Industrial.	Total.
Premiums	£23,903,788	£10,600,611	£34,504,399
For annuities	1,881,972	168,933	2,050,905
Interest	9,995,582	846,655	10,842,237
Other items	184,482	117,939	302,421
Total income	£35,965,824	£11,734,138	£47,699,962
Claims	£16,727,304	£3,944,927	£20,672,231
Cash bonuses	1,191,123	375	1,191,498
Surrenders	1,599,106	61,354	1,660,460
Annuities	2,030,031	140,742	2,170,773
Commission	1,245,945	2,667,517	3,913,462
Expenses	2,031,476	1,934,592	3,966,068
Shareholders	532,901	546,095	1,078,996
Other items	776,293	357,038	1,133,331
Increase in funds	9,831,645	2,081,498	11,913,143
Totals	£35,965,824	£11,734,138	£47,699,962

Another satisfactory feature of the returns is the reduction which has been taking place in recent years in the percentage of premiums absorbed in commissions and expenses; whereas these items absorbed 15.3 per cent. of the premiums in 1890, they only absorbed 13.7 per cent. in 1904, thus continuing the downward tendency which has been uninterrupted for the past ten years. It is frequently stated that the expenses of life offices are much greater now than formerly, largely owing to the extravagant commissions which are sometimes paid; but statistics prove beyond a doubt that the change is steadily in the direction of economy. The expenses of the industrial business, on the whole, show a decrease in the proportions of premium income absorbed. From being as high as 48 per cent. that has now decreased to 43 per cent. This is mainly due to the economies effected by the Prudential, the figures of which company amount to more than half the total amount reported. The Prudential works at an expense ratio of 40 per cent., while the average expenditure of other companies is 47.7 per cent. That it should be necessary to take so large a proportion of the premiums for the expenses of management is much to be regretted, but so long as premiums have to be collected weekly any substantial reduction can scarcely be hoped for.

The dividends to shareholders is an item which fluctuates considerably from year to year, since many of the companies only carry this item into their accounts after their quinquennial valuations. But an examination of the amount paid to shareholders over a series of years shows, for the ordinary companies, a very considerable reduction. The amount of the share capital was £11,000,000, according to the Blue Book of 1882, and only £11,500,000 according to the returns for this year. This reduction in dividends is partly due to the life offices, on the whole, having earned smaller surpluses than formerly, but the principal cause is probably the wholesome reforms which have been taking place in the distribution of surplus, whereby the participating policyholders receive a larger proportion of the profits than formerly.

The total assets of the ordinary companies amount to considerably more than the life assurance funds, since the balance sheets include fire, marine, and other funds, as well as outstanding claims and miscellaneous items. Whereas in 1882 46 per cent. of the total assets were invested in mortgages, only 27½ per cent. are so invested at the present time. The proportion withdrawn from mortgages has been principally reinvested in debentures and stocks and shares.

The total assurances in force, which are derived from the latest valuations of the companies, represent the state of things existing even further back than 1903, since they are compiled from returns some of which are dated 1899. The principal classes of policies under which these assurances are distributed are as follows:

ORDINARY ASSURANCES IN FORCE.

Items.	Number.	—Sums Assured.— Amount.	Per Cent. of Total.
With profits—			
Whole life	789,070	£377,252,662	52.0
Limited payment life	51,666	32,970,814	4.6
Endowment assurances	1,079,796	177,219,129	24.4
Other policies	23,197	6,357,828	0.9
Total, with profits	1,943,729	£593,800,433	81.9
Without profits—			
Whole life	149,172	£71,040,801	9.8
Limited payment life	12,379	5,159,200	0.7
Endowment assurances	77,895	21,633,546	3.0
Other policies	51,390	33,545,338	4.6
Totals, without profits	290,836	£131,378,885	18.1
Totals, with and without profits	2,234,565	£725,179,318	100.0
Reassurances	.....	38,851,144	5.4
Net total	.....	£686,328,174	94.6

The most remarkable thing about these figures is the great increase in endowment assurances. They now constitute 27.4 per cent. of the total assurances in force, whereas in 1888, when a summary of this kind was first published, endowment assurances were only 6 per cent. of the whole amount. The increase may, perhaps, be shown more strikingly by stating that the total assurances in force show an increase of 63 per cent. in seventeen years, while endowment assurances show an increase of 653 per cent. during the same period. The industrial assurances in force amount to £234,217,606, the average amount of each policy being a little under £10. Of the total amount, 88 per cent. consists of whole life policies, 6.7 per cent. of endowments, 2.2 per cent. of endowment assurances, and 2.8 per cent. of joint life policies.

The best measure of progress is to be found in the funds and the premiums, which, as compared with 1882, show an increase of 50 per cent. in thirteen years, and an increase of about 100 per cent. in twenty-three years; that is to say, the business has doubled during this latter period. Industrial business has made much more rapid progress, the funds being nearly eighteen times the amount recorded in 1882, and the premium income about five and a half times as much. Industrial business was comparatively new when the first Blue Book summary was published, and the funds in proportion to premiums were then very small, being, in fact, less than one year's premium income, whereas they now amount to more than three times the annual premium.

The ordinary item which shows the greatest increase is the consideration for annuities, which, after being four times as much in 1897 as it was in 1882, is now 318 per cent. of the figures of the latter year. Since the time, about 1896, when the magnitude of the annuity business was greatest, many of the life offices quoting

(*Continued on page 328*).

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of February, 1905:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$243 029	$177,733	$420,762
Connecticut General Life	19,713	3,900	23,613
Connecticut Mutual Life	384,085	27,412	411,497
Equitable Life, Des Moines	10,919	1,025	11.944
Equitable Life, New York	1,587,509	243,010	1,830,519
Germania Life	89,300	55.954	145,254
Home Life	80,185	29,066	109,251
*John Hancock Mutual Life	371,335	16,500	387,835
Manhattan Life	58,314	27,335	85,649
Maryland Life	17,439	2,000	19,439
Massachusetts Mutual Life	284.299	14,646	298.945
*Metropolitan Life	1,328,985	4,000	1,332,985
Michigan Mutual Life	59,036	42,865	101,901
Mutual Benefit Life	393,713	134.836	528,549
Mutual Life, New York	1,611,631	393,352	2,004,983
National Life U. S. A	25,955	50	26,005
National Life, Vermont	151,453	51,000	202,453
Nederlands (U. S. Branch)	4,000	.....	4.000
New York Life	1,647,404	305,480	1,952,885
Northwestern Mutual Life	538,501	158,618	697,118
Pacific Mutual Life	32,421	1,000	33,421
Penn Mutual Life	203,552	57,362	260,914
Phœnix Mutual Life	103,592	9,691	113,283
Provident Life and Trust	87,812	117,420	205,232
Provident Savings Life, New York	56,900	.....	56,900
†Prudential	989,990	5,153	995,143
State Mutual Life	136,113	74,000	210,113
Travelers	154,522	41,959	196,481
Union Central Life	133,650	34,810	168,460
Union Mutual Life	38,739	1,979	40,718
United States Life	71,881	1,286	73,167
Washington Life	87,344	40,057	127,401
Totals	$11,005,321	$2,073,499	$13,076,820

* Partially industrial insurance. † Report includes both industrial and ordinary business.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to February 28, 1905, inclusive, by the life insurance companies whose monthly reports are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$63,164,745	$29,025.295	$92,190.040
1865	Connecticut General Life	3 436.814	1,176.785	4,613.599
184	Connecticut Mutual Life	124,048,988	16,452,816	140,501,804
1867	Equitable Life, Des Moines	1,237,293	288,310	1,525,604
1859	Equitable Life, New York	253,157,521	30,578,248	283,735,769
1860	Germania Life	29,478,470	10,937,595	40,416.065
1860	Home Life	14,586,659	3,665,762	18,252,421
1862	*John Hancock Mutual Life	35 410,445	2.138.037	37,548,482
1850	Manhattan Life	33,365.092	5,697,987	39.063,079
1864	Maryland Life	2,910,440	236,104	3,146,544
1851	Massachusetts Mutual Life	27,662,990	4,531,838	32,194.828
1867	*Metropolitan Life	137,771,873	823,882	138,595,755
1867	Michigan Mutual Life	6,461.410	3.111 047	9.572,457
1845	Mutual Benefit Life	110,081.805	12,782 289	122,864,094
1843	Mutual Life, New York	313.529,954	68.765,806	382.295.760
1868	National Life U. S. A	7,489.926	351,489	7.841,415
1850	National Life, Vermont	14,176 284	2,334,795	16,511,079
1893	Nederlands Life (U. S. Branch)	1,345,184	1,000	1.346,184
1845	New York Life	219,837,232	49,309,825	269,147,057
1857	Northwestern Mutual Life	79,793,162	20,454,674	100,247,836
1868	Pacific Mutual Life	6,170.352	1,244,336	7 414,688
1847	Penn Mutual Life	39 076 168	7 800.450	46 876,618
1851	Phœnix Mutual Life	25.580.037	4,944 248	30.524,285
1865	Provident Life and Trust	20,826 867	13,939 930	34,766.797
1875	Provident Savings Life, N. Y	19,408,662	11,955	19.420 617
1876	†Prudential	85,347,755	191,490	85 539 245
1845	State Mutual Life	13,042,451	2.774,323	15,816,774
1866	Travelers	17.430,132	3 978.535	21,408.667
1867	Union Central Life	14,248 546	3,730,483	17,979,428
1849	Union Mutual Life	18.416,499	6.022,223	24,438 722
1850	United States Life	16,784,497	2,381.882	19 166.379
1860	Washington Life	20,991.659	8,997.793	29,989,452
	Totals	$1,776,269,912	$318,681,632	$2,094,951,544

* Partially industrial business. † Report includes both industrial and ordinary business.

Life Insurance Business in Nebraska in 1904.

(Compiled from the Statement of the Insurance Commissioner.)

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Incurred.
Companies of Nebraska.						
Bankers	2,585	$3,676.509	6,622	10.136,107	$298.253	$27,500
Bankers Reserve	297	638,500	1,741	4,695 750	161,913	21 500
Security Mutual	1,934	2,395,346	3,470	4.297 622	137,102	12,100
Other Companies.						
Ætna	329	$473 730	1,219	$1,912.388	$90,813	$19,425
Connecticut Mut	98	148.584	625	1,279,677	34,385	9,728
Conservative	78	102,500	155	232.5 0	8,683	1,000
Des Moines	285	497,750	441	797,475	24,778	1,250
Equitable, Ia	20	27.555	537	676,997	23.141	1,000
Equitable, N. Y	764	1,651,690	3,399	7,012,053	239,996	29,789
Fidelity Mutual	295	395,750	604	1,008.098	35,346	3,000
Franklin	133	217.011	302	468.920	16,206	.....
Germania	189	281,703	341	504,895	21,574	17.800
Hartford	11	13,069	143	359.202	9.968	10 000
Home	37	61,009	369	462,165	16 203	2,480
Illinois	17	16,192	196	303 282	5,291	3,000
Mutual Benefit	87	201,328	787	2,093,626	71,818	21,465
Mutual Life, N. Y	1,011	1,783,469	6,103	11,928,673	367,654	85 497
Mutual Reserve	484	1,049,299	766	1,818,516	67.386	18,237
Manhattan	7	8,000	62	123,622	4 009	.....
Metropolitan	568	415,347	1,211	948.234	41,042	7,651
Michigan Mutual	11	20,559	207	290.331	9,991	1.907
Minnesota Mutual	82	221.012	163	448,455	15.486	8 000
Missouri State	48	47,700	58	48,200	2,911	5,000
National, Vt	177	310,710	884	1,655,590	63.931	17,000
National U. S A	245	246,544	928	694,757	50,139	1,835
New England Mut	229	407.271	1,808	3 032,757	97.288	14,519
Northw. National	428	771,300	3 786	7,645,039	237,954	60,753
New York Life	1,383	2,318,331	7,604	14.027,633	446,997	71,170
Northwestern Mut	123	131,200	1.486	1,039,662	72 206	8,217
Pacific Mutual	49	72,568	289	449,845	15,177	5,315
Phœnix Mutual	112	173,400	623	927.143	45.209	14,200
Provident L. and T.	70	108 933	312	565 186	19,376	.....
Provident Savings	37	116,708	259	655,859	23,252	3.000
Prudential	489	573,626	1,137	1.347,221	56,086	18,556
Penn Mutual	162	252,815	816	1,450 638	53 274	7,360
Reliance	16	16,000	16	16,000	344	.....
Royal Union	53	95,744	515	788,189	24,616	28,500
Security Mutual	5	13 305	5	13.305	1.058	4,000
Security T and L	171	518 460	231	627 744	25.123	2 500
State Mutual	52	87 546	430	737 736	21,317	1,705
State, Indiana	121	445,747	366	1,401,174	65 427	.....
Travelers	5	11.000	179	663 614	10 797	4,200
Union Central	230	459,697	2 198	3.917 439	132,242	14,344
Union Mutual	95	106,461	305	393,244	12.578	1,400
United States	3	8,430	28	43.170	792	1,000
Washington	49	78.000	316	485,968	21,306	.....
Total, 1904	11.764	$21,662,408	54,032	$94 425,701	$3,200,433	$586,913
" 1903	13,390	18.535,233	46 429	82,490,219	2,780,190	536,064
" 1902	9,808	16,485.932	38.622	77,948.518	2,372.347	587.927
" 1901	9,958	13 557 931	34.150	60 563,490	2,030,331	482 915
" 1900	6,710	11.201.090	27,508	52.970.141	1 654,812	506,339
" 1899	5.040	9 400 683	23,150	47 636.168	1,366,567	361,155
" 1898	3,002	8 514,835	21.000	43.714.652	1.275,324	427,170
" 1897	2,761	5,434,162	19 218	37,642.380	1,149 080	387,857
" 1896	2,731	4,678.225	19.049	39.797,522	1,124,808	258 946
" 1895	.....	6,905,018	.....	42,007,304	1,264,463	321,616
INDUSTRIAL INSURANCE BUSINESS IN 1904.						
Metropolitan	5,938	$1,065,406	16,108	$2,503 135	$79,787	$15.337
Prudent al.	6,364	773,383	13,951	1,605,531	62 494	10,730
Totals	12,302	$1,838 789	30 059	$4,108,666	$142 281	$26.067

Assessment companies wrote $20,395 040 and fraternal orders $26,103,695 insurance in Nebraska in 1904.

Life Insurance Business in Florida in 1904.

(Compiled from a Statement by the State Treasurer.)

COMPANIES.	Policies Issued. Amount.	Premiums Received.	Losses Paid.
Equitable Life, New York	$1,923,902	$294,298	$89,405
Fidelity Mutual Life, Philadelphia	252,047	26,836	5,785
Germania Life, New Orleans	299,800	76,338	24,536
Home Life, New York	159,000	15,035	.....
Mutual Life, New York	2,090,826	372,959	146,446
Mutual Reserve Life, New York	321,617	30,460	12,000
Mutual Benefit, Newark	111,865	6.419	290
New York Life, New York	2,177,785	460.899	126,070
Penn Mutual Life, Philadelphia	1,865 088	146.820	9.529
Prudential, Newark	376,774	26, 82	1,000
Security Mutual Life, Binghamton	45 243	2.847	4,027
State Life, Indianapolis	643,500	27,290	6,000

COMPANIES.	Policies Issued. Amount.	Premiums Received.	Losses Paid.
Union Central Life, Cincinnati, Ohio..	$349,500	$16,368	.....
Washington Life, New York.....	198,770	23,871	$3,492
Totals, 1904.....	$10,815,667	$1,627 310	$428,579
" 1903	8,682,640	1,355,245	413,541
" 1902.....	8,373 234	1,184,913	292.535
" 1901.....	7 439,334	1,016,213	279,883
" 1900.....	7,057,977	949.819	249,360
" 1899	6,482 053	739,819	432 458
" 1898.....	3,646,900	602.717	213,962
" 1897.....	3,916,004	548 951	240,859
" 1896.....	3,778,013	550.920	171,259
" 1895.....	4,125.043	535,684	147.418

Life Insurance Business in Connecticut in 1904.

(Compiled from the Annual Report of the Insurance Commissioner.)

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Incurred.
Companies of Connecticut.						
Ætna	469	$935,039	5,774	$9,948,240	$396,462	$196 721
Connecticut Gen...	585	895.647	3,926	5,554,132	197,861	86,077
Connecticut Mutual	193	523,418	2,622	6,456,057	311,095	171 857
Hartford.	142	140 828	1,427	1,538.693	140,626	18,500
Phœnix	212	325.085	3,379	5,082 871	296,749	107,890
Travelers.....	261	701,669	1,762	3,906 833	183,402	101,443
Totals.....	1,862	$3,521,687	18 890	$32,486,826	$1,526,198	$673,488
Companies of Other States.						
Berksh re.....	91	$109,200	1 287	$2,037,100	$63,474	$15.116
Equitable	689	1,252,651	3.891	9,199,840	332,914	177,314
Fidelity	64	167,684	553	1,207,683	42,419	15,000
Germania.....	31	54.700	257	381.251	16,684	11,213
Home	35	76.821	654	1,237.947	49,131	27,108
John Hancock.....	848	985,687	1,351	1,621.902	54,237	11,698
Massachusetts.....	371	539.532	2,041	3,944.415	149 709	21,185
Metropolitan.....	3 831	2,414,864	12,793	8,988,332	434,226	102,613
Mutual Benefit.....	486	824.617	2 698	5,521,520	223,495	128,988
Mutual.....	1,203	2,063,777	8,725	19,311,678	630,997	505,252
National	122	164,313	551	826.102	35.302	2,000
New England.....	284	457,674	1,690	2.969.587	109,008	12,715
New York.....	1,444	3,239,243	8,751	14,501,576	580,379	320,042
Northwestern.....	648	1,242,750	5,819	12,611,836	458.533	88,133
Pennsylvania.....	135	242,524	732	1,598,377	59 210	29,344
Provid't L. & T.....	151	280,973	695	1,280,015	61,882	3,531
Provident Savings	380	179 317	461	501.428	16,936	24,500
Prudential.....	1,556	1,247,209	5 698	5,143.538	174,667	40,107
Reliance.....	6	9,000	6	9,000	289	.....
Security Mutual....	60	104,651	200	389.982	11,704	11,099
State.....	191	361,949	1.186	2,539,705	86,695	40,408
Union Central.....	40	105,375	502	1,219.800	39,372	3,000
Union Mutual	14	23,072	157	249,127	8,165	6,306
United States	82	168,730	653	1,031.748	44,507	10,630
Washington.....	306	428,300	1,182	1,665,576	76,912	26,242
Totals.....	13,008	$15,742 613	62 353	$99,989,065	$3,760,861	$1,633,539
Grand Totals, 1904..	14,930	19,264,300	81,423	132.475.891	5.287,059	2.307.027
" 1903..	13,125	16.925,467	73.751	122.923,056	4,958.067	2,223.306
" 1902..	13,000	17,613,832	69.484	120,321.647	4,537,685	2 171.835
" 1901..	11,727	16,413.191	62,818	112.454,271	4,128,216	2,154,850
" 1900..	10,462	16.435,309	57,263	106,542 011	4,118.167	2.194,527
" 1899..	9,771	15.147,736	52,203	98,749,330	3,439,202	1,683,138
" 1898..	8,031	12,764,910	47.113	91,086,100	3,080,056	1,599,903
" 1897..	6,211	10,521,464	43,210	85,871,224	2,837,242	1,405,318
" 1896..	4,997	9,623,397	40,554	81,983,787	2,661,471	1,442.048
" 1895..	4.087	8,748,756	37,257	77,056,012	2,587,223	1,276,139
" 1894..	4,551	9,445,996	36,267	74,715,434	2 536,481	1,356,964
" 1893..	7,614	13,674,692	36,112	75,189,791	2,500,895	1,715,146
" 1892..	5,989	11,305,579	33,865	70 673,158	2,275.901	1.160.996
" 1891..	5,738	10,797,564	31,381	65,752,732	2,083,697	1,222,882
" 1890..	4,322	9 351,186	.....	.....	2 035,934	1,094.838
" 1889..	3.587	7,393,127	.....	.....	1,960,236	913,339
" 1888..	2.834	6,414 482	.....	.....	1,985,600	1,038,238
" 1887..	3,013	6.458.997	.....	.....	1,743,500	931,193
" 1886..	3,511	7,651,097	.....	.....	1,646.896	1,020,410
" 1885..	4,588	6.148,655	.....	.....	1,553.017	1,181,462
" 1884..	4,372	6.001.571	.....	.....	1,450,707	1,174,429
" 1883..	5,673	7,317,931	.....	.....	1,477.958	949,266
" 1882..	3,919	4,965,033	.....	.....	1,290,936	324,891

INDUSTRIAL INSURANCE BUSINESS IN 1904.

John Hancock.....	20,919	$3.693,654	79,702	$13,268,270	$576,340	$214,997
Metropolitan.....	44.803	9 554,305	203,471	38,988,626	1,283 858	485.464
Prudential.....	21,002	3,078,986	63,903	9,527.504	370,252	127,268
Totals, 1904.....	86,724	$16,326,945	347,076	$61,784,400	$2,230,450	$827,729
" 1903	81,960	14,960,971	328,275	57,776,678	2,105,132	774,320
" 1902.....	86,925	15,600.112	304,561	53,429,165	1,895,496	651,490
" 1901	79,484	14,340,433	274,609	48,118,315	1,714,775	636,975
" 1900	74.742	13,735,760	250,128	43,428,741	1,537,983	635,441
" 1899.....	71,691	13,018,705	228,438	39,089,411	1,398,411	536,969

Fire Insurance Business in Florida in 1904.

(Compiled from a Statement by the State Treasurer.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford.....	$4,418,703	$96,080	$36,706
American Fire, Philadelphia.....	773,116	17,768	8,717
American Central, St. Louis	319,230	6,804	2
Atlanta-Birmingham, Birmingham....	423,693	11 437	7,356
Assurance Co. of America, N. Y.....	855,441	14.849	4,041
Atlas, London.....	222,639	5,498	.....
Boston, Boston.....	90,461	910	.....
British America, Toronto.....	430,494	10,733	5,254
Citizens, St. Louis.....	475,039	12,564	8.065
Commercial Union, London.....	1,726,276	45,327	19.645
Continental, New York.....	1,381,050	35,670	7,674
Fireman's Fund, San Francisco.....	2,980,670	41,322	24,263
Federal, Jersey City.....	417,650	7,202	1,496
Fire Association, Philadelphia.....	1,276,264	32,715	16,313
Glens Falls, Glens Falls.....	934,624	21,385	17,619
German-American, New York.....	1,899,023	33,308	16 755
German Alliance, New York.....	346,675	8,140	3,431
Georgia Home, Columbus.....	632,373	15,333	9,334
Globe and Rutgers, New York	467,654	10,199	1,801
Hartford Fire, Hartford.....	4,531,445	97,929	63 528
Hamburg-Bremen, Hamburg.....	415,190	11,087	9,307
Hanover Fire, New York.....	1,150,109	18,010	7,615
Home, New York.....	4,023,052	69,227	36,159
Indemnity Fire, New York.....	330,305	7,380	5.659
Insurance Company of North America	2,103,505	58,189	30,659
London and Lancashire, Liverpool....	1,486.575	35,924	18,877
Liverpool and London and Globe, Liv.	6,435,984	120,741	52,584
Liv. and London and Globe, New York	216,258	4,838	2,951
Milwaukee Mechanics, Milwaukee	394,900	8,018	1,255
Moscow Fire, Moscow.....	471,446	9,284	1,275
National Union, Pittsburgh.....	410,400	9,106	2 803
New Hampshire Fire, Manchester.....	726.792	14,503	1,326
Niagara Fire, New York.....	709,830	18,040	7.657
North British and Mercantile, N. Y...	1,847,171	38,094	17,251
Northern, London.....	1,461,010	29,824	6,863
Norwich Union, Norwich.....	1,655,009	41,002	10,552
Orient, Hartford.....	768.256	16,308	5.600
Palatine, London.....	963 786	30,556	17 589
Phenix, Brooklyn.....	1,917,055	50,336	15,576
Phœnix, Hartford.....	696.789	14,347	4,922
Phœnix, London	414,387	12 579	4,575
Pennsylvania Fire, Philadelphia.....	915,365	23,323	15,252
Providence-Washington, Providence..	3,143.307	49,511	25.478
Queen, Liverpool.....	1,349,437	29,938	10.635
Rochester German, Rochester.....	679,700	15,884	2 907
Royal, Liverpool.....	1,544,289	32,604	19,764
Scottish Union and Nat., Edinburgh...	581,296	14,811	8,186
St. Paul Fire and Marine, St. Paul....	2,126,265	18 566	4,251
Springfield F. and M., Springfield.....	1,498,160	20.605	7,199
Sun, New Orleans.....	571,021	14,945	10,985
Sun, London	1,934,747	24,982	17,511
Teutonia, New Orleans.....	673,862	17,492	5,053
Traders, Chicago.....	641,726	14,258	10,202
Western, Toronto.....	1,907,646	26,587	19,073
Williamsburgh City Fire, New York..	672,105	15,533	10,762
Westchester Fire, New York.....	1,039,347	25,902	12,505
Totals, 1904.....	$72,478,602	$1,487,537	$702,257
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903.....	$59,753,890	$1,276,162	$646,568
1902.....	56,096.374	1,173,100	490,593
1901.....	49.468.911	944 295	4,033.636
1900.....	41.906 330	832,188	448,885
1899	36.404.652	710.285	312.845
1898	29.842,978	624.662	311,482
1897.....	29 982.731	613,447	206.614
1896.....	29 069 800	613.238	233,411
1895.....	27.229.649	588.990	304 300
1894.....	26.698 005	596,775	171.206
1893.....	28,816,034	575 489	229.214
1892	31,106,141	571.557	231,363
1891	23,989,877	472,399	613.199
1880 to 1890, inclusive.....	165,076,395	2,915,681	2,514,204

The percentage of losses to premiums in the twenty-five years reported in the above table is 81 8. The percentage in 1904 was 47.2.

Fire Insurance Business in Delaware in 1904.

(Compiled from a Preliminary Report by the Insurance Department.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Stock Companies of Delaware.			
Delaware, Dover.....	$1,514,828	$15,665	$7,093
Wilmington Fire, Wilmington.....	1,500	135	.....
Mutual Companies of Delaware.			
Cantwell, Odessa.....	$35,467	$4,938	$505
Cotton Oil, Wilmington.....	.....	.....	.....
Delaware State Grange, Camden.....	180.345	2,582	2,464

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Farmers, Wilmington	$7,763,136	$40,223	$17,095
Kent County, Dover	7,565,559	36.862	14,035
New Castle, Wilmington	1,537,731	18,230	5,152
Stock Companies of Other States.			
Ætna, Hartford	$1,620,460	$20,564	$6,454
Agricultural, Watertown	799,500	5,191	2,592
American, Boston	88 673	915	.....
American, Newark	191,402	1,473	235
American Fire, Philadelphia	796,656	7,347	817
Assurance Co. of America, New York	87,753	662	1,992
Boston, Boston	205,473	3,284	415
British American, New York	28,480	367	255
Camden Fire, Camden	83,893	916	214
Connecticut Fire, Hartford	527,900	7,285	4,766
Continental, New York	769,389	6 846	2,496
Delaware, Philadelphia	232,844	3,254	1,612
Equitable F. & M., Providence	213,870	1,571	246
Fire Association, Philadelphia	902,408	9,352	1,060
Fire Ins. Co. of Co. of Philadelphia	134,640	1,732	487
Fireman's Fund, San Francisco	193,418	2,014	29
German Alliance, New York	382,690	6.167	3,211
German-American, New York	474.584	5,156	1,163
Germania Fire, New York	241,225	1,825	149
Glens Falls, Glens Falls	527,279	4,423	3,250
Globe and Rutgers Fire, New York	252,599	2.937	.....
Hanover Fire, New York	466,547	5.700	2,476
Home, New York	3,588,960	33,118	8,049
Home Fire and Marine, San Francisco	105.682	1,612	1,589
Insurance Co. of No. America, Phila.	587,436	6.866	1,099
National Fire, Hartford	750,674	8,900	2.812
New Hampshire Fire, Manchester	265,962	3,490	2,771
Pennsylvania Fire, Philadelphia	1,543.080	11,576	663
Phenix, Brooklyn	707,335	7,931	5,368
Phœnix, Hartford	354.238	3 864	1,325
Providence-Washington, Providence	340,278	2,761	505
Queen, New York	552.558	6.008	684
Springfield F. and M., Springfield	988,218	11,810	7.697
Spring Garden, Philadelphia	384.028	3,348	1,444
Star Fire, Louisville	59 100	1,003	.....
St. Paul Fire and Marine, St. Paul	349.032	4,831	1,348
Traders, Chicago	185.880	2.828	992
Union, Philadelphia	234,236	1,759	2.037
United Firemen's, Philadelphia	93,399	1,323	261
Victoria Fire, New York	43,280	421	.....
Westchester Fire, New York	299,214	2,501	118
Mutual Companies of Other States.			
Mutual Fire of Chester Co., Pa	$63,189	$21,169	$13,183
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle	$263,325	$3,464	$1,754
Atlas, London	236,835	2,290	845
British America, Toronto	131,212	2,030	203
Caledonian, Edinburgh	155 805	1,861	1,942
Cologne Reinsurance, Cologne	136,361	2,148	379
Commercial Union, London	473,339	5,474	3,950
Law Union and Crown, London	78 748	932	405
Liverpool and London and Globe	939,707	13,363	8,905
London Assurance Corporation	196.675	1,646	39
Moscow Fire, Moscow	287,901	3,579	974
National, Dublin	550,453	6,852	2,929
North British and Mercantile, London	577,089	5.935	4,908
Northern, London	965,977	10,606	2,717
Norwich Union, Norwich	164,430	1,390	405
Palatine, London	236,234	2,527	2,622
Phœnix, London	350,843	5,409	5.848
Royal, Liverpool	4,992,542	30,941	14,958
Royal Exchange, London	.....	1,575	.....
Salamandra, St. Petersburg	370,043	5,337	5 211
Scottish Union and National, Edin	276 179	3 373	815
Skandia, Stockholm	283,518	2,958	326
State Fire, Liverpool	43 222	478	.....
Union, London	257,252	3,225	811
Western, Toronto	594,552	6,959	4,307
Totals, 1904	$51,878,270	$479,089	$197,458
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$57,560,927	$451.557	$267,868
1902	55,993,138	456 977	139,741
1901	32,336,537	261,078	129,236
1900	29,110,700	239.315	129 706
1899	25,477,146	208,805	167,809
1898	25,868,395	193,463	108,355
1897	23,195,688	192,292	32,991
1896	21,374.849	181,285	134,387
1895	21,721,553	184,958	74,208
1894	19,679,838	176,117	158,662
1893	21,171,739	179 317	82.945
1892	21,215,579	159,084	112,860
1891	20,220,720	136,335	161,464
1890	20.535,854	139,616	87.044
1880 to 1889	137,671,459	1,015,238	681 089

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 57.3. The percentage in 1904 was 41.2.

Fire Insurance Business in Nebraska in 1904.

(Compiled from the Statement of the Insurance Commissioner.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Companies of Nebraska.			
Columbia Fire, Omaha	$17,525,491	$269,082	$63,076
Farmers and Merchants, Lincoln	8,226 585	15.096	36.202
Nebraska Underwriters, Omaha	6,005,311	81.049	19,676
State Ins. Co. of Nebraska, Omaha	3,733,068	57,801	16,653
Companies of Other States and Countries.			
Aachen and Munich, Aix-la-Chapelle	$325,519	$4.728	$1,792
Ætna, Hartford	4,279,820	60,868	28,049
Agricultural, Watertown	1,031,300	12 494	7,016
American, Newark	2,597,314	36,385	16,419
American, Boston	218 253	2.820	429
American Central, St. Louis	522,366	8.001	1,832
American Fire, Philadelphia	654,230	7,405	354
Assurance Co. of America, New York	264,874	2.095	3,664
Atlas, London	723,108	7,823	3,860
British America, Toronto	580,878	8 968	2,776
British American, New York	173.465	2.804	5,176
Buffalo Commercial, Buffalo	287.979	4,254	1,999
Buffalo German, Buffalo	868.268	8,882	3,868
Caledonian, Edinburgh	1,283,848	18.659	7,105
Citizens, St. Louis	682.866	9,756	5,390
Commercial Union, London	1,805,250	26 250	17,545
Commonwealth, New York	300.750	3,305	440
Concordia Fire, Milwaukee, Wis	607 612	8,835	5,713
Connecticut Fire, Hartford	4,415 389	70,614	27,644
Continental Fire, New York	6.778,721	79,270	32,955
Delaware, Philadelphia	1.825.290	24.834	9,022
Dutchess, Poughkeepsie	198.540	2.654	2,569
Equitable Fire & Marine, Providence	472 929	5 935	1,065
Fireman's Fund, San Francisco	1,164,520	12 516	11.665
Firemen's, Newark	826.220	9 759	1,280
Fire Association, Philadelphia	1,725,430	26.192	7,389
Franklin Fire, Philadelphia	345,155	4,957	3,502
Federal, Jersey City	95.815	1.083	.....
German, Freeport, Ill	7,681.887	97,751	34,996
German Alliance, New York	283.110	3.675	5.932
German-American, New York	2,648 919	36,299	17,031
Germania Fire, New York	1,589.300	20,248	8,477
Girard Fire and Marine, Philadelphia	336 694	4,384	435
Glens Falls, Glens Falls	3,172,120	33.182	10,075
German National, Chicago	625,239	8,923	4,049
Hamburg-Bremen, Hamburg	500,671	8.844	8.336
Hanover Fire, New York	770,944	11.594	4,727
Hartford Fire, Hartford	6,712,443	103 408	36,208
Home, New York	11,319,719	127,587	61,811
Home F. and M., San Francisco	371,916	4.711	3,000
Indemnity Fire, New York	121,678	2 045	1,643
Insurance Co. of North America	2,829,530	44,020	16 417
Law Union and Crown, London	215,532	3.532	3.103
Liverpool and London and Globe, Liv.	2,973 092	42,746	13.733
Liverpool and Lon. and Globe, N. Y.	318,994	4,414	2,863
London Assurance Corp., London	373,380	4,945	3,680
London and Lancashire, Liverpool	693.152	8,727	5.290
Mechanics, Philadelphia	150,327	1,980	3,015
Mercantile Fire and Marine, Boston	84,223	1,284	1,904
Milwaukee Fire, Milwaukee	443,714	5,524	897
Milwaukee Mechanics, Milwaukee	1.325,109	21,782	8,118
National Fire, Hartford	3,369,714	41,584	15,906
National Union Fire, Pittsburgh	434,482	5,639	2,441
New Hampshire Fire, Manchester	1,545.997	18,601	12,399
New York Fire, New York	429,530	5 022	1,278
Niagara Fire, New York	935,950	13 601	6.921
North German Fire, New York	248,288	3.580	2,596
North British and Mercantile, London	2,926,651	37,106	14,102
Northern, London	860 931	11,773	5,098
Northwestern National, Milwaukee	2,639 803	26,845	6,326
Norwich Union, Norwich	693 461	9.705	6.333
Orient, Hartford	698,371	8,870	2,851
Prussian National, Stettin	553 690	4,597	3,789
Providence-Washington, Providence	942,552	8,390	6,133
Pelican, New York	182 875	2.729	1,490
Phœnix, London	887.203	13,148	4,241
Phœnix, Hartford	3,212 330	40,441	15,789
Pennsylvania Fire, Philadelphia	1,065 160	14.316	10,213
Phenix, Brooklyn	7.955,989	128,093	57,800
Palatine, London	672.196	11,229	7,208
Queen, New York	1 552 003	20 957	11 249
Reliance, Philadelphia	1,966 622	26,487	12,657
Rochester German, Rochester	236.818	3,250	2,683
Royal, Liverpool	2,160 949	29,404	21,397
Salamandra, St. Petersburg	406 334	6.710	602
Security, New Haven	1,829.502	18.639	10.661
Scottish Union and Nat., Edinburgh	402 705	5.955	4,465
Skandia, Stockholm	.....	.....	.....
Springfield F. and M., Springfield	4,730.626	62,814	22,131
Spring Garden, Philadelphia	754.560	10,644	2,745
Sun, London	1 441.125	19,099	10,587
St. Paul Fire and Marine, St. Paul	3.708,932	75,114	31,900
Svea Fire and Life, Gothenburg	341.050	4,935	1,172
State Fire, Liverpool	112,524	2,137	3.329
Traders, Chicago	781,509	11,413	2,792
United Firemen's, Philadelphia	164 885	2,991	5.039
Union, London	449 200	6,931	5,426
Victoria, New York	73,105	1,374	2,584
Williamsburgh City Fire, New York	679,130	6,936	3,426

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Westchester Fire, New York	$702 724	$8 869	$2.370
Western, Toronto	1.677,400	20,653	22 310
Totals, 1904	$170 508,823	$2,347,358	$964,304
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$147,203 375	$1,935,011	$911,765
1902	127,583.866	1,695,286	667.950
1901	137,683.007	1,726.906	625.232
1900	132,141.072	1,583 596	574,188
1899	121 390.473	1,490.067	734.487
1898	106,583 277	1,407,416	616,351
1897	98,103.685	1,387,593	438,904
1896	89,740,440	1.377,686	611 712
1895	94,469,027	1 524 577	947 392
1894	107,64[illegible].249	1,81[illegible],538	1,126,152
1893	132,591,141	1,998,147	1,288,448
1892	137,564,820	2,109 878	842,986
1891	120,146.234	1,809,995	874.731
1880 to 1890	814,312,465	13,633.763	5,266,668

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 41.9. The percentage in 1904 was 41.0.

(*Continued from page 324.*)

the most favorable rates have found it necessary to revise them, and to give less favorable terms than before. It will be noticed that in the ordinary accounts the claims have not increased in anything like so large a proportion as the premium income, while the dividends to shareholders have never been so large as they were, according to the 1882 Blue Book.

While the claims formerly absorbed about 55 per cent. of the total income they now absorb only 46½ per cent. If we compare the claims with the premium income, we find that they amounted to 84½ per cent. of the premiums in 1882, as compared with 70 per cent. in 1905. Only one interpretation of these figures—and that a satisfactory one—is possible; namely, that there is a marked improvement in the duration of insured lives.

Saved by the Scissors.

TACT.

A bore is never a good salesman. The parable of the unjust judge who was willing to give the poor woman her suit "lest by her continual coming she trouble me" is strictly Oriental. It isn't applicable to the Occident—certainly not in life soliciting. The prospect, instead of yielding to continuous boring, is much more liable to "take a slant" in the other direction and become irretrievably lost.

It requires quite a deal of tact not to "become troublesome." Not to let one's zeal overcome good judgment. To find the right moment and seize it; to catch opportunity and inclination together is most difficult. Not but that the right moment is often enough, but to have the judgment and tact, which is almost a matter of intuition, to recognize and take advantage of it, is the hard thing to do. To do it successfully marks the "born solicitor."—*Hartford Life Bulletin.*

EXCERPTS.

The man who says that he has no use for life insurance and can carry his own risk is, may be, telling the truth. He may have to carry his own risk in that he may be carrying a load which no insurance company will carry for him.

The post of duty is the post of honor, in war or peace. The truest honor runs parallel with the truest duty, and with the performance of it. Given the man with a home, it is his duty to provide for it, and the better provision he makes for it, the greater honor.

It is moral force that makes the man, and life insurance is the strongest moral force on earth. Hence he who would conserve his will, his initiative, and his power to bring things to pass must fix his faith in life insurance.—*The Ætna.*

A MATTER OF REAL NEWS.

Life insurance is coming to its deserved recognition as a news subject, and items and figures concerning it are now frequently seen in the regular reading portions of the daily press. The Chicago *Tribune* recently began the publication of the amounts of insurance carried by persons of local and national standing who had just died, and there is a noticeable interest among its readers at the information thus furnished. To know that a man held policies in the standard companies, and to the full extent in each instance, proves his wisdom and is moreover a matter of genuine news interest. Even though the deceased has not been a person of special prominence, the fact that he was well insured of itself gives his name a merited conspicuity and entitles him to prominence and respect.

It is possible that the showing of matured endowments may be a feature of news publication in the near future, where there is no objection to such publicity for business or other reasons on the part of the fortunate policyholders, as they are thus gathering in the fruits of their prudence right in their own lifetime.—*The Ætna.*

A SHINING MARK.

Bald-headed Man: "I've just had my life insured."
Friend: "I didn't think they'd accept you."
Bald-headed Man: "Why not?"
Friend: "Death loves a shining mark, you know."—*The Ætna.*

DOING THINGS.

To resolve to do good things is one thing, but to do them is another and a better thing. Good resolutions unperformed were better if never made; it is only when they are kept that they are of any good.

The gateway of success? Right here, gentlemen; and open wide for everyone who has the desire to enter and the will and determination to press forward to the goal!

Benjamin Disraeli, Earl of Beaconsfield, left many inspiring sayings behind him. One of them is: "Time is the excuse of feeble and puzzled spirits; they make Time the sleeping partner of their lives, to accomplish what ought to be achieved by their own will." In his old age he said to a Jewish lad: "You and I belong to a race that can do anything but fail." But even more inspiring than his words was the example of his own career. Starting life as a scion of a despised and proscribed race, he rose to be the foremost man in England, furnishing for all time and for all people a striking illustration of what can be accomplished by tact, talent, self reliance and unyielding determination. —*Prudential Record.*

INSURANCE NUGGETS.

Eternal vigilance is the price of success—payable always in advance.

Enthusiasm brings success, and success usually brings more enthusiasm.

Some men never tire of writing business—because they write so little.

While straight canvassing must be your mainstay in the procurement of new business, it is well to remember that good opportunities for canvassing present themselves while you are on your collection rounds. The wise agent will be on the watch for and profit by them.

Energy will do anything that can be done in this world, and no talents, no circumstances, no opportunities will make a two legged animal a man without it.

Don't live upon your past records; it doesn't pay. The future possibilities are too great.

It is good to do the right thing, but it is still better to want to do it.

True greatness lies not in never failing, but in rising whenever we fail.—*John Hancock Field.*

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P. and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1905.

Assets	$2,360,496.46
Surplus in United States	731,149.48

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.
6,561 per day in number of Policies issued.
$1,426,700.50 per day in New Insurance Written.
$114,060.67 per day in Payments to Policyholders and addition to Reserve.
$73,326.81 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$64,270,818.12
Bonds and Mortgages,	33,094,145.00
Real Estate,	16,806,932.86
Cash,	7,323,372.74
Loans to Policyholders,	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.

Reinsurance Fund and Special Reserves,	$112,351,323.00
All other Liabilities,	907,772.25
Capital and Surplus,	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security, $277,290,466.48

Number of Policies in Force, 8,029,906

Amount of Outstanding Insurance, $1,470,424,281.00

Amount of Insurance Issued in 1904, $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

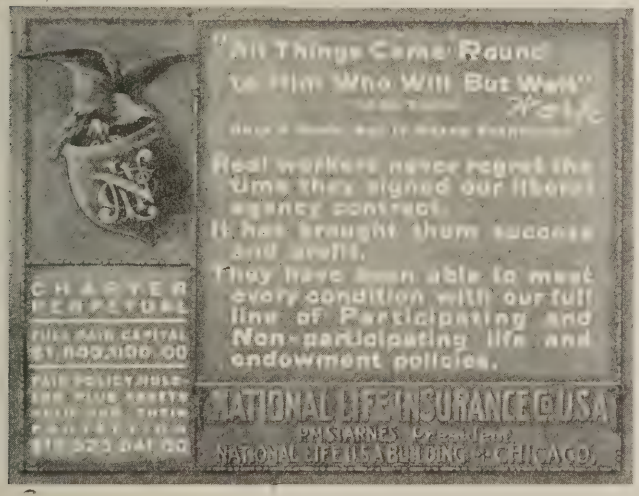
Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.	
1884—$2,915,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00—	1884
1894—18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00—	1894
1904—55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00—	1904

In its Ordinary Department policies are issued for from $1,000 to $1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.



CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$25,500,000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1904.

Assets, held in the U. S. for the special protection of its American Policy-holders. $8,520,383 40

Liabilities, ... 5,204,870.83

Net Surplus, January 1st, 1904, $3,315,512.57

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

One Million Dollars Surplus to Policyholders

UNITED STATES CASUALTY COMPANY

141 Broadway, New York

WANTS AGENTS IN SMALL TOWNS

as well as in large ones

BEST ACCIDENT and HEALTH **INSURANCE** IN THE WORLD

Secretary & General Manager

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
NET SURPLUS	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

78 WILLIAM STREET,

NEW YORK CITY.

How's Your Backbone? Can You Stand Alone?

Agents who can answer "strong" and "yes" to the above questions, and who want to be advanced more than they want advances, can secure splendid contracts with liberal renewal commission guarantees from the

Security Trust and Life Insurance Co.

BROADWAY and 26th STREET, NEW YORK.

Hon. R. E. PATTISON, President.
Hon. GEO. B. LUPER, 2d Vice-President and General Manager.

ADDRESS FOR TERMS

Moore Sanborn, 4th Vice-President and Manager of Agencies.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $6,791,185.19. Net Surplus, $1,686,230.47.
Losses Paid to December 31, 1904, $19,655,793.02.

Fidelity Bonds, Employers' Liability, Personal, Accident, Health, Steam Boiler, Plate Glass, Burglary, Fly-wheel and Bonded List.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Vice-President-Secretary.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.
GEORGE W. ALLEN, Third Assistant Secretary.

Head Office for the United States:

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

57 and 59 William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - - $200,000

STATEMENT, APRIL 1, 1904.

Bonds, Bank and other Stocks, Market Value	$290,326.50
Demand Loans with Collateral Security	34,500.00
Real Estate, unincumbered, owned by the Company	106,500.00
Premiums in course of collection, Interest due Company and Cash in Banks and Office	222,561.32
Total Assets	$653,887.82

LIABILITIES.

Reserve for Reinsurance and other Liabilities	$280,736.85
Reserve for Losses under Adjustment and not yet due	94,533.01
Surplus to Policyholders	278,617.96
	$653,887.82

Losses paid since organization, $18,616,821.42.

CHAS. S. HOLLINSHEAD, President.
E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

T H E

PROVIDENT

LIFE AND TRUST COMPANY
OF PHILADELPHIA

Insurance in Force	$167,500,000
Assets . . . over	55,500,000
Surplus	8,250,000

THE true objective in the management of a Life Insurance Company is twofold: First, to maintain perfect security; and second, while respecting the rights of every policyholder, to reduce the cost of insurance. Judged by this standard, the PROVIDENT claims to be unexcelled

[FIRE]
German American Insurance Company
New York

CAPITAL
$1,500,000
NET SURPLUS
5,841,907
ASSETS
12,980,705

The Mutual Benefit

LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905, . .	$93,237,790.27
LIABILITIES, ...	85,918,227.30
SURPLUS, ...	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488,98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President
EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer.
BENJAMIN RUSH, Second Vice-President.
HENRY W FARNUM, Marine Secretary.
T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire 51 William St.: Marine, 63 Wall St.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York

THE METROPOLITAN PLATE GLASS AND CASUALTY INSURANCE COMPANY OF NEW YORK.

Home Office: 47 Cedar St.

Chartered 1874. The Oldest New York Company in Its Line.
Assets, January 1, 1904, $591,813.08.
Surplus to Policyholders, 389,895.29.

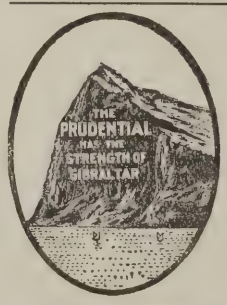
Plate Glass and Personal Accident Policies
OF THE MOST APPROVED FORMS.

EUGENE H. WINSLOW, President, DANIEL D. WHITNEY, Vice-Pres't
S. WM. BURTON, Secretary. ALONZO G. BROOKS, Ass't Sec'y.

RELIABLE AND ENERGETIC AGENTS WANTED.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.
Incorporated as a stock company by the State of New Jersey.
Home Office: Newark, N. J.
JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men
The Grand Prize was awarded the Prudential at the St. Louis Exposition.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, APRIL 8, 1905. No. 14.

Published every Saturday by the Underwriter Printing and Publishing Company.

Subscription price: Five Dollars per annum in advance.

All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

Entered at the New York, N. Y., Post Office as second class matter.

IT is the business of a newspaper to print the news, and we therefore present in our news columns this week all the facts in the Equitable Life controversy which has raged this week, but divested of the mass of rumor and recrimination—more or less the invention of the enterprising one cent press—which has accompanied them. The really salient points have been the beginning of the examination of the company by the State Insurance Department and the adoption of a plan of mutualization by the directors at their Thursday's meeting. Most of the rest of the so called news in the daily papers has been froth and fustian. As to the merits of this deplorable case, of course we have our opinion. We are quite frank to say that we take sides. We take the side of the life insurance business in the United States, which is suffering, as it ought not to be made to suffer, by the notoriety which the official disturbances in the Equitable Life have evoked. We are in entire sympathy for this reason with the sentiments conveyed in the concluding paragraph of the official report of Thursday's proceedings, signed by Messrs. Bliss and Depew, the personal representatives respectively of the president and vice president of the company, and which we have the right to believe therefore are their own sentiments also. This is:

Speeches were made * * insisting upon a cessation of the entire controversy and of the use of the press, which is so injurious to the company. That while in the charges and the countercharges there was no question as to the solvency of the company or its large surplus above all liabilities or the soundness of its investments, the controversy was creating widespread distrust and doing great injury to all life insurance companies, and that the committee of the board should and would so probe and as a result of its investigation so recommend as to justify confidence in the company and its management.

THE bill introduced by Senator Fyfe in Michigan breaks ground in this country for a system of old age pension insurance by the State. It provides for the appointment of a State actuary, who shall investigate and report not later than February, 1907, upon the general plan followed in transacting this kind of life insurance in New Zealand and elsewhere, and also upon the feasibility of adopting a similar plan in Michigan whereby bona fide residents, who are sixty-five years of age and over, may receive benefits from a fund accumulated by their contributions between the ages of eighteen and fifty years. The proposition differs from that involved in the schemes of workingmen's insurance in vogue in Germany and other foreign countries and in Maryland, in that it embraces all classes of old people, and does not cover sickness and other physical disabilities. Nor does it furnish insurance against death prior to age sixty-five. It cannot therefore materially affect the regular insurance business, and particularly that of industrial insurance, to which it bears some resemblance in the amounts of benefits realized. Mr. Fyfe's old age policies are not over $100 annually, and from that down to $25 annually, according to the length of time the pensioner has resided in the State before his maturing age. The inquiry proposed by the Michigan legislator is well worth making, and in view of our rapidly increasing population may lead to the solution of a problem which we in common with all crowded communities must some time meet: how to care for a large number of indigent aged.

THE renowned "Bat" Masterson, who is indebted to the helpful friendship of the President for still greater celebrity, has been giving the *World* his impressions of the city of New York, in which he has recently become a resident and federal official. Among other discerning observations is this one:

You have some great fakers on the newspapers here in New York, and they are doing themselves harm by it. There is enough genuine news that is interesting without inventing it. The journalist who fakes is an incompetent journalist. The good reporter does not have to fake. The newspapers of the big cities, New York especially, and Chicago is scarcely any better, have lost their influence with the people just by faking. When I read an interesting article in a paper I ought to be able to repeat as a fact the story it tells, and be certain of it because I read it in a newspaper; but today I cannot do so, because I don't know whether it is true or not. Every fake a newspaper prints widens the circle of those who cease to have faith in it. And so many fakes have been and are printed that the people believe nothing more they read in the papers, even the decent ones that do tell the truth. Some means should be found to stamp out faking for good and all.

The truth of the Bat's arraignment of many of our daily papers has been only too obvious the past week, in their treatment of the Equitable Life case. There has seldom been a worse instance of wanton and unbridled license in this very bad phase of New York journalism. And as our mentor from the wilds says, it has injured the perpetrators instead of those whom it has assailed. The best way to create sympathy for any man is to overdo your censure of him in the press.

ANTI-COMPACT legislation has consumed much of the time of the honorable law makers and menders this year, but it has practically narrowed down now to two States, Illinois and Tennessee, although bills are pending in two other States, New York and Minnesota, but without hope of success. As for completed legislation it may be summed up as follows: Arkansas, which already had an anti-trust law which included fire insurance companies, enacted another more drastic, that has driven the companies from the State. Anti-compact bills in California, Indiana, New Mexico, North Carolina and Oregon failed. On the other hand the effort to repeal the Missouri law also failed. The movements in Missouri and Kansas to prohibit the convenient advisory rate book, which is regarded by some anti-trust statesmen as a combine behind a mask, were defeated. So also were the attempts in

Washington and Wisconsin to strengthen the existing anti-compact laws. In the latter State local boards may still make rates, but companies cannot. The purpose of the bill presented this session was to take away the right from the agents also. Thus anti-compact legislation in which there is an element of seriousness is reduced to the bills in Tennessee and Illinois. The Tennessee bill was introduced this week by the legislative committee which has been investigating fire insurance conditions in the State. We print on another page the principal parts of the committee's report. While it admits the value of concerted efforts by fire underwriters to ascertain the cost of insurance, it objects to any agreement among them to enforce a uniform rate. As the committee was doubtless representative of the average sentiment of members of the Legislature toward fire insurance, there is probability of the passage of this anti-compact bill. The class of the population dominant in Tennessee is much the same as that in the adjacent State of Arkansas. But the battle ground of much greater importance is Illinois. The McKinley anti-trust bill, which includes fire insurance companies within its provisions at the instigation of the former and present attorney generals, is strongly backed and has already passed the House by the overwhelming vote of 112 to 9. If it cannot be arrested in the Senate and obtains the Governor's approval, it will play havoc not only with the Chicago Underwriters' Association and all the local boards in Illinois, but will cast the Western Union out of the State, to the great inconvenience of its members. No blow to combined efforts to ascertain, establish and maintain adequate rates, unless it were one aimed at New York, could be more severe. The difficulty of defeating the insurance clauses of the McKinley bill by the single handed labors of the underwriters is recognized in Chicago, and the aid of the business interests of that city has been very properly invoked, with a gratifying response. We may understand the apprehension that exists in Illinois from the following paragraph taken from an article in the *Insurance Post* of last Saturday:

> The insurance men cannot hope to defeat the bill themselves. The tide is running too strongly for them. Argue they ever so strongly, it would be held that they were talking for self interest. Their only hope is in the help of the business interests. If the men who would be hurt by the reduction in indemnity and increase of rates which would surely follow anti-compact legislation will rally to their support and show their members that the measure will hurt rather than help, there will be at least a chance that insurance can be exempted. The influences back of the bill, however, are working against any exemption. They say that the reason why the former anti-trust bill was declared unconstitutional was because it tried to exempt farmers and workingmen, and they mean to take no more chances on exemptions.

Facts and Opinions.

The **funeral of Colonel Jacob L. Greene,** president of the Connecticut Mutual Life, at Trinity Church, Hartford, on Friday afternoon, March 31, was largely attended, among those present being the entire office force of the company, the faculty of Trinity College and a large representation of the student body, the Loyal Legion, Army and Navy Club, Grand Army of the Republic, Sons of the Revolution, Church Club and D. K. E. The various society delegations occupied seats in the church reserved for them. The officiating clergymen were the Right Rev. Chauncey B. Brewster, bishop of the diocese of Connecticut; the Rev. Ernest de F. Miel, rector of Trinity Church, and the Rev. Dr. Francis Goodwin. The active bearers were from the clerical force of the Connecticut Mutual, all having been in the employ of the company a longer period than Colonel Greene's connection with it. They were the following: John D. Parker, Walter B. Olmsted, Arthur C. Liebert, Elwyn N. Emmons, General James H. Jarman and Lieutenant Colonel Charles E. Thompson. The honorary bearers were officials of the Connecticut Mutual, personal friends of Colonel Greene and representatives of organizations with which he was prominently connected, among them being Vice President Taylor, Secretary White, President Chase, of the Hartford Fire, and ex-President Bunce, of the Phœnix Mutual Life. The body remained in the church all Friday night under guard of four young men to whom Colonel Greene was especially attached, Robert W. Huntington, Jr., Charles A. Goodwin, F. Spencer Goodwin and Richard H. Cole. The funeral party took the train for Pittsfield, Mass., on Saturday morning, and on arrival there the remains were taken to the cemetery, where a committal service was read by Rev. Mr. Miel. The vestry of Trinity Church, at a spcial meeting on Sunday, adopted a memorial, in the course of which they said:

> The native nobility and genuine Christian character of our beloved colleague manifested itself in no way more markedly than in the conduct of those important business enterprises with which he was connected. Men of affairs found in him uncompromising integrity and fearless courage which could not be moved from the straight path of truth and honor. His sagacity and moral sanity gave him an influence in the world of finance which few men have exercised to such good advantage, while his insight into the intricate problems which vex our age lent special force to his public utterances on these matters. In the life of our parish, while occupying the highest position which a layman can hold, he did not permit himself to overlook those lesser amenities which are the index of a large and considerate nature. He gave to men of every walk in life, to the stranger as well as to his fellow citizens, a warm welcome and an open hand that all might be assured of the true hospitality of the household of faith. It was this ability to put himself in the place of others that prompted him to extend the same gracious courtesy to all which lay at the root of his character as the typical Christian gentleman. We cannot attempt nor is it our part to rehearse here his many excellent gifts, his noble qualities of mind and heart, his broad learning and scholarly culture. We can simply bear loving and grateful testimony to him as ever loyal to the commands of his Lord and Master, confessing Him before the world, both in word and deed, and, as a devout communicant of His Church, following Him faithfully unto his life's end.

The **new Insurance Superintendent of Missouri** is Willard Duncan Vandiver, who was appointed on Saturday, April 1, by Governor Folk to succeed Robert G. Yates. Mr. Vandiver, who is a Democrat, retired from Congress last month. He was born in Hardy County, W. Va., March 30, 1854, and was educated in the common schools and Central College, Fayette, Mo. His early days were spent on the farm, but after graduation he was appointed professor of natural science in Bellevue Institute, and three years later became its president. In 1889 he accepted the chair of science in the Missouri State Normal School at Cape Girardeau, and in 1893 was elected president. In 1896 he was nominated by the Democrats of the Fourteenth Congressional District of Missouri on a "free coinage" platform for Congress, and was elected by over 3,000 majority. He was re-elected in 1898, 1900 and 1902, but was not a candidate last year. He is a man of ability and a particular friend of Governor Folk. A Jefferson City dispatch says that he intends to make a clean sweep of the clerical force in the department. The retiring superintendent, Mr. Yates, gave a parting kick to the fire insurance companies in his annual report, in which he said that the average rate of insurance was higher in Missouri than in adjoining States, and he could see no reason for this discrimination, as the moral hazard is not greater than elsewhere, and the physical hazard is steadily improving. He does not know that anti-compact and valued policy laws increase rates.

The advisory committee appointed by Insurance Commissioner O'Brien, of Minnesota, to recommend new officers for the **Northwestern National Life** insurance company of Minneapolis, selected Judge Loren W. Collins for president. The other officers were left for future action. Vacancies on the board of directors are filled by F. A. Chamberlain, president of the Security Bank of Minneapolis; E. W. Decker, vice president of the Northwestern National Bank; N. O. Werner, president of the Swedish-American National Bank; F. M. Prince, president of the First National Bank, and S. A. Harris, president of the National Bank of Commerce. On taking charge President Collins said that he was satisfied that the company was in good condition and there is no cause for alarm. In a short time the present difficulties will be straightened out and things will be running smoothly. The new president was born at Lowell, Mass., in August, 1838, and began the study of the law at Hastings, Minn., in 1860. He enlisted in the Seventh Minnesota Infantry in 1862 and served through the remainder of the Civil War, coming out as brevet captain. In 1866 he took up the practice of the law at St. Cloud, Minn., was county attorney of Stearns County, and in 1881-83 represented the county in the Legislature. He served as a justice of the Supreme Court of Minnesota from 1884 to 1890.

What President Hadley, of Yale University, said of **government rate making** for railroads in a letter to the Boston *Transcript* this week would apply in most respects to a similar function in fire insurance. He said:

> The power to make rates for the traffic of the United States is too vast a thing to be handled by the machinery of the Interstate Commerce Commission, even if the power and expense of that machinery were considerably increased. The initiation of a successful rate policy must come from the owner, not from somebody else who tries to control the action of the owner. Governments have been sometimes successful in their rate making when they operated their roads; but I do not know a single instance of really successful rate making by a government which attempted to control roads that somebody else operated. All business, even large public business, has an experimental character. A corporation spending hundreds of thousands of dollars to study traffic conditions all over its territory can make a large number of experiments for itself. Some fail, others succeed. It has it in its power to stop the failures and pursue the successes. If someone else, spending only a small fraction of that amount of money in the investigation of that particular territory, is making a schedule for it, there is less freedom to make experiments. If the rates turn out to be too low it amounts to confiscation. The only alternative is to leave them too high—so high as to be ineffective. This is what, with the rarest exceptions, has happened in France and in England—nay, even in Germany at the time when a large number of the German roads were owned by private companies.

The tenth annual banquet of the **Indiana Association of Life Underwriters** was held Monday, March 27, at the Commercial Club of that city. The following was the program of the speaking: Rev. Joseph F. Byrne, Indianapolis, "Life Insurance from the Ethical Standpoint"; Dr. John Kolmer, "The Medical Examiner and the Applicant"; Hon. W. H. Hart, ex-Auditor of State, "Insurance and Safeguards"; Hon. John W. Kearn, "The Insured"; Irving Williams, assistant editor of *Rough Notes*, gave a toast to the president of the National Association, and John Dolph, president of the National Association, also spoke. The address of ex-Auditor Hart dealt with national legislation looking to Federal supervision of the life insurance business. Mr. Dolph spoke very strongly upon organization among insurance salesmen as the only logical way to overcome evils and difficulties of the business. He declared that the individual who would attempt to secure reform as an individual, without the aid of organization, made himself ridiculous; consequently those that were outside of the association should immediately affiliate.

The **Metropolitan Life** insurance company has declared a **dividend on all industrial policies** issued during the years 1880, 1885, 1890 and 1895, and also on those issued in 1900, which shall be in force on their anniversaries in 1905, when the dividend becomes due. Policies on the increasing life and endowment plan, or with dividend additions, do not participate, however. This dividend amounts to ten week's premiums on each policy, and it is estimated will amount to $650,000. Policies in the following companies which have been assumed by the Metropolitan participate in this dividend, which is entirely voluntary on the part of the company and which will not fail of hearty appreciation by those benefited: United States of Newark, People's of Norwich, Vermont of Burlington, Central of St. Louis, La Canadienne of Montreal, Citizens of Atlantic City, Pacific Mutual of San Francisco, Provident of Wheeling, Sun of Louisville, St. Louis Life of St. Louis, American Central of Indianapolis, Economic of Wilmington, and Hartford Life of Hartford.

The **New England Insurance Exchange** at last Saturday's meeting adopted a schedule of requirements regarding specifically rated automobile risks, in which the assured, in return for certain warranties, is given permission to manufacture, repair, stable and sell automobiles using gasoline for fuel or power in the building described in the policy, and for an additional charge of 50 cents the permit is extended to allow the drawing of gasoline from the supply tank and the filling of automobile reservoirs in the buildings insured under the policy, all with well considered restrictions making for safety. A schedule of requirements for straw factories was also adopted, defining the conditions under which the materials used and the processes employed in such factories are allowed. A rent insurance form and a schedule for rating ice houses, which were up for action, were rejected by the exchange. Honorary membership was conferred upon Mr. E. C. North.

The **new United States manager of the Royal Exchange** is Uberto C. Crosby, who received the appointment through General Manager Hiles this week. Mr. Crosby is the present president of the New Hampshire Fire insurance company. He has been a notable figure in American fire underwriting for some years. He was born at Mattapoisett, Mass., in 1850, and entered the office of the Bay State Fire insurance company of Worcester as a clerk in 1866. He afterward became secretary of the company, which ended its life in the Boston fire. Subsequently Mr. Crosby was New England special agent for the Commercial Union and resigned in 1883 to become special agent for the Phenix of Brooklyn for New England and the maritime provinces. In 1899 he took the secretaryship of the New Hampshire Fire, and in January, 1900, was elected president. He is every way worthy of his new position.

The estimated **loss by fire in the United States and Canada** in the month of March, according to the compiler of the *Journal of Commerce*, was $14,715,400. The comparison of losses in the first three months of this year, 1903 and 1904, is as follows:

	1903.	1904.	1905.
January	$13,166,350	$21,790,200	$16,378,100
February	16,090,800	90,051,000	25,591,000
March	9,907,650	11,202,150	14,715,400
Total	$39,164,800	$123,043,350	$56,684,500

The principal fire of the month was at Cedar Rapids, Ia., where cereal mills were burned with a loss of $1,500,000. The

New York *Commercial* estimates the March losses at a much greater figure. It publishes reports of 1,130 fires in the United States and the Dominion with an aggregate loss of $31,327,494. Its February estimate was $28,892,035.

The effort to organize a board of underwriters under articles of agreement to further the business of **corporate suretyship underwriting in Massachusetts** has taken form, and the interests of the organization are in charge of a committee comprising Messrs. James P. Parker, of the Empire State; T. J. Falvey, of the Fidelity and Guarantee; B. G. Waters, of the American Bonding Company; J. M. Mitchell, of the National Surety, and Arthur L. Tash, of the Fidelity and Deposit. The agreement provides for a schedule of minimum rates, prohibits the payment of rebates or any other valuable consideration for business, excepting maximum commissions of 20 per cent. to signers of the agreement, the same rate to agents of the signers outside of Boston, and not exceeding 15 per cent. to brokers. A deposit is required from each member, and penalties are fixed for violations of the agreement.

A correspondent writing from Peoria, Ill., about the **Life Underwriters' Association of Peoria** says:

Peoria is being overrun with get rich quick bond schemes, fake assessment associations and new fraternal organizations, all of which keep the old line agent on the alert all the time. As is well known by life insurance men in general these fellows will not tell the truth, and as the majority of the public are uninformed on life insurance they will bite at such fakes when they are shown up in the way that some of these fellows can show it. The results, however, are that the old line agent gets the business later on, either in three, six or twelve months after the insured learns the truth. The public are the sufferers and not the old line agents, and the question has been advanced as to whether they are an evil or a benefit to the business. The Peoria association expects to discuss this particular question pro and con, and the debate is expected to be one of great interest. Mr. E. D. Monroe is the president of the Peoria association, and under his leadership it has grown and prospered. Mr. Guy C. Goodfellow, of the Connecticut Mutual, is chairman of the executive committee, and has filled the position to the satisfaction of all the members.

The Attorney General of Arkansas begins a suit for $2,000 every day against the Hartford Fire insurance company, which persists in remaining in the State in violation of the **Arkansas anti-trust law.** The fines against the company, if recovered, will amount to $730,000 per annum, which, of course, it has no objection to pay for the blessed privilege of writing risks in the State. In answer to a question by the State Auditor, the Attorney General says that all agents of companies violating the law will be held personally liable. The attorneys for the Hartford and the German Alliance have filed a motion requiring the State to make its complaints more specific. In six of the allegations it is asked to state whether the combination complained of is within or without the State, and whether the charge relates to one organization or to separate agreements and different organizations.

"In these hard times you will be glad to hear of a place where you can spend a **happy day on the cheap,**" says a writer in the London *Chronicle.* "Ever since I read this advertisement I have heard the gorgeous East calling me: 'Mahomed Ali Yussuf begs to announce to nobility and the Cairo Smart Set that he has opened a high class restaurant shop at No. 3 Lhasia Manakh, Muski.' None of your low class places; observe this restaurant shop is exclusively for the upper ten. Then comes a clause which appeals even more to me: 'Everything A1 and dam cheap. Prices quite wonderful.' Fashion and economy are combined in this delightful Cairo resort. And if nothing else will tempt you to start for Cairo, listen to this last sentence: "N. B.—Delectable music and dancing girls every evening.' It is not often that you can find the 'Arabian Nights' in an advertisement column."

The annual election of stockholders of the **Washington Life insurance company** was held on Tuesday, resulting as follows: For directors of the third class, whose terms expire in April, 1908, Charles H. Allen, William Corcoran Eustis, Levi P. Morton, Elihu Root, Winthrop Rutherfurd, Thomas F. Ryan, Valentine P. Snyder and John Tatlock; to fill vacancies in the first class of directors, whose terms expire in April, 1906, Samuel B. Clarke, H. Ward Ford, G. G. Haven, Morgan J. O'Brien and E. B. Thomas; to fill vacancies in the second class, whose terms expire in April, 1907, Dumont Clarke, Samuel P. Colt, Charles F. Cutler, Charles D. Dickey, James A. Parker, William A. Street and Harry Payne Whitney. The only change in the entire directorate was the election of Mr. Eustis.

It is well to relieve the minds of **all persons over forty year of age** of the scare started by sensational reporters of Professor Osler's valedictory address at Johns Hopkins University. The professor did not utter the remarks attributed to him. He says he did not. He says that he was talking exclusively about teachers and professors of education and this is what he said:

The teacher's life should have three periods—study until twenty-five, investigation until forty, profession until sixty, at which time I would have him retired on a double allowance. Whether Anthony Trollope's suggestion of a college and chloroform should be carried out or not, I have become a little dubious, as my own time is getting so short.

The chloroform was all a joke. The professor believes that men of sixty are all right, for he is himself fifty-eight.

The directors of the **Phœnix of London** report that the premiums received during the year 1904, less reinsurances, amounted to £1,448,570. The expenses and losses (paid and outstanding) amounted to £1,442,646. The result of the year's working, including interest, provision for unexpired risks, and balance brought forward from the last account, and allowing for interim dividend, left a balance at the credit of profit and loss of £229,608. The financial position of the company on December 31, 1904, was as under: Capital paid up, £268,880; reserve for unexpired risks, £579,428; investment reserve, £35,415; general reserve fund, £648,790; balance at credit of profit and loss account, £229,609—£1,762,122; capital subscribed but not called up, £2,419,920; total, £4,182,042.

The **Hartford Fire** insurance company, began work last week on a $50,000 building to be attached to the west end of its office building on Trumbull street, which, when finished, will be the largest main office of any insurance company in the country. The new office room, with the addition now in progress, will measure 200 feet in length and 42 feet in width. The interior will be finished in mahogany and equipped with up to date office furnishings. This is the third time the Hartford Fire insurance company has been obliged to increase its office room. The new extension, which will be fireproof throughout, will give the company 5,000 square feet of office space. The Hartford Fire building was erected in 1869-70.

The ubiquitous and ever recurrent **Raphael J. Moses,** a New York lawyer, turned up at Albany on Thursday in a petition to the Attorney General to make an examination of the manner in which the Equitable Life Assurance Society distributes to the tontine policyholders the proportion of the surplus called for in their contract. Mr. Moses calls special attention as a basis of his application to tontine policies held by John J. McGrath and William Turnbull, but says that he makes his request as a citizen and not as an attorney. Mr. Moses as attorney has had in litigation for some time an

action for an accounting against the Equitable Society in behalf of McGrath. This action is now on its way on appeal to the United States Supreme Court.

The holder of the **oldest life insurance policy in the United States** died at Englewood, N. J., on Monday night. Mr. William E. Shepard, aged ninety-four years, took policy No. 11 in the Mutual Life insurance company, February 7, 1843, the first week of the company's existence. The policy was for $2,000. Its present value is $3,832, or over three and one-half times as much as the net premiums he has paid. The policy has been entirely self supporting since 1866. Dividend additions amounting to $2,541.70 have been surrendered, yet there remains a balance of additions credited to the policy of $1,832. If all the dividends had been allowed to accumulate the policy and additions would now amount to $6,373.70 and the insurance over cost would be $2,226.

The *Fireman's Fund Record* for April has the following to say about **conditions on the Coast:**

After a calm comes a storm, and as the insurance people on the Coast have had fair winds and fine weather for nearly ten years the fighters are getting restless, and not betting their own money, can afford to show their mettle. The disposition to cut adrift from the board and go it alone is in the air. Report says that the independent contingent of fifteen or more companies is to be recruited by annexing an old time on the Coast English company, and as the English offices have always been consistently by-board this break, if true, in loyalty to correct methods of underwriting will be met by the big offices who will not permit pirating, and the result will be war. The experience of ten years ago, when about one-quarter of the companies on the Coast withdrew, is fresh in the minds of many old agents whose good commission contracts went glimmering.

Omaha has a new mutual company which proposes to do business all over the country. It is chartered as the **National Mutual Fire insurance company.** Edward M. Coffin, of Lincoln, is president, and J. L. Mabie secretary. The latter is a brother of C. E. Mabie, formerly president of the Iowa Life and the National Life of the U. S. A., who will probably be associated with the company in some way. The scheme proposes that local mutuals everywhere, which are usually prohibited from writing more than moderate lines, can take lines of any amount, reinsuring the surplus in the National Mutual, which can then distribute it, if desired, among the other companies in the scheme.

The **People's Life Insurance Company of America** is being organized in New York city by W. S. Sussman, a life insurance agent of this city, who will be vice president and general manager, and John Napier, former secretary of the American Union Life and lately with the Reliance Life. It is proposed to issue all forms of life and endowment policies, but the special feature will be industrial policies, written in return for coupons obtained with merchandise or à la trading stamp. The coupons will be sold to merchants, who will give them to cash customers. The People's plans to have $100,000 capital and $25,000 surplus.

In the annual report of the directors of the **Ocean Accident and Guarantee Corporation** it is stated that the premiums in 1904 amounted to £1,060,897, as compared with £1,101,182 in 1903, and the claims paid and provided for £603,163, as compared with £661,341 in 1903. The provision for claims outstanding and unexpired risks amounted to £701,000. The revenue account shows, after debiting all charges and expenses and including the amount brought forward, a credit balance of £420,379, leaving after making provision for unexpired risks a balance of £75,379. The investments and other assets amounted to £1,337,989.

The cabinet ministers of the **French Republic** at a meeting this week considered the joint representations of American insurance companies relative to the execution of the new insurance law. The companies have been definitely informed that the Ministry of Commerce intends to give retroactive effect to the law, thus requiring the purchase of French securities as a guarantee of all past insurance taken out in France. The companies seek to avert the retroactive effect. Premier Rauvier and Foreign Minister Delcasse are specially examining the question, but no decision has been reached.

The **Travelers** of Hartford has instituted a **spring contest** for points, and will pay its successful agents cash bonuses on all classes of business, according to the number of points made. Six points will be given for each thousand dollars of participating life or endowment insurance, four points for the same amount of non-participating and one point for each thousand of accident business. Bonuses ranging from $10 for thirty points to $50 for 100 points will be paid, and $5 for each additional ten points over the hundred. It ought to bring in the business.

A **traveler in Arkansaw,** who writes to the Chicago *Record-Herald,* encountered many interesting persons racy of the soil of that trust bursting State. One of them is described:

A woman with a snuff stick in the left corner of her mouth looked with admiration at the new picture of her baby. "It's the best I ever see!" she declared. "I don't claim to be no architect, but that's my idea of it. It's plumb cute!"

The lady unconsciously paraphrased the great Executive in the State House at Little Rock, contemplating his beloved anti-insurance law.

The executive committee of the **International Association of Accident Underwriters** met at the office of President Edson S. Lott on Thursday and perfected arrangements for the annual convention which will be held at the Royal Muskoka Hotel, Lake Rosseau, Toronto, Canada, on July 18, 19, 20 and 21. The committee on a standard manual for accident insurance is making good progress in its work, and will present its report at that time in final form for adoption.

The hearing of the suit of the **Mutual Life** insurance company of New York in its now famous case **against Apolline M. Blair,** widow of the late James L. Blair, of St. Louis, for the cancellation of insurance policies aggregating $200,000 on account of alleged frauds, was resumed this week at St. Louis. For two months past Master in Chancery F. L. Schofield has been engaged in taking depositions in Philadelphia, New York and Florida.

The Western Union committees have been reappointed for the ensuing six months with but three changes. Two of these were on the governing committee, from which G. H. Lermit, of the Northern, and M. F. Driscoll, of the Phœnix of London, have withdrawn, being succeeded by W. H. Sage, of the German American, and John Marshall, Jr., of the Fireman's Fund. J. H. Lenehan, of the Phenix, was elected chairman.

A meeting of the **business men of** a number of towns in **Central Northern Missouri** will be held at Macon April 5 to consider action against the insurance companies. The towns included are Columbia, Mexico, Moberly, Paris, Han-

nibal, Shelbina, Chillicothe, Brookfield, Kirksville, Trenton and Macon. They charge that rates are excessive and propose to organize a town mutual fire to carry their risks.

A stenographer of Lynn, Mass., thought she would have some April fool fun with her employer by yelling that the building was afire last Saturday. The frightened employer rung in the fire department, a police inquiry followed, and now the young lady wishes she hadn't. At Brockton, Frank S. Perry, of Rockland, was sentenced to three months in the house of correction for sounding a false alarm of fire.

At a meeting of the directors of the **Insurance Clerks' Mutual Benefit Association** last week the following officers were re-elected for the ensuing year: George W. Hoyt, president; Thomas A. Ralston, vice president; George W. Wells, recording secretary; Charles E. W. Chambers, corresponding secretary, and Bradford Darrach, treasurer. Eighteen new members were elected, making the total membership 1,032.

The **life underwriters of Springfield,** Ill., held a meeting on Saturday night of last week for the purpose of organizing an association. A banquet was given them by the Franklin Life insurance company. The following officers were elected: F. A. Peebles, president; C. W. Walker, first vice president; W. F. Workman, second vice president; H. M. Sollenberger, secretary; J. H. Ruckle, treasurer.

The executive committee of the **South Eastern Tariff Association** at its last meeting decided to hold the next annual meeting of the association at Atlantic City, N. J., on May 24 and 25. There is dissatisfaction as usual over both the date and place, and the malcontents are talking for Old Point Comfort or Hot Springs, Va.

A **general denial** was filed Thursday for William R. Gray and G. C. Holt, of **John C. Paige & Co.,** Boston, defendants in the slander suit brought by George McCarthy. At the hearing to determine the amount of damage McCarthy may sue for, Mr. Gray testified in effect that Mr. McCarthy's truculent attitude toward the firm and its employees forced the request for his retirement.

The Ohio Attorney General's office has begun proceedings to place the **Mutual Home Fire** insurance company of Cleveland, Ohio, in the hands of a **receiver,** on the ground that its liabilities exceed its assets. An injunction was secured to prevent it doing any business, and a hearing was set for April 12.

The **program of** the next annual convention of **the National Association of Local Fire Insurance Agents,** which will be held at Denver, Col., August 16, 17 and 18, is in the hands of E. J. Tapping, who has just been appointed chairman of that committee by President A. H. Robinson, of the national body.

The Chicago wildcatter, **Wallace A. Lowell,** has been denied the new trial for which he asked, alleging reversible errors during the trial. He then asked for a stay of judgment and was given sixty days in which a bill of exceptions can be drawn up. In the meantime Lowell is out on bail.

The **Western department of the Atlas,** formerly on the sole agency basis, took on a number of dual agencies when it reinsured the Manchester. After several months' test it has decided to go back to the sole agency basis, and will take up nearly forty agencies in consequence.

The annual **banquets of the Michigan Field Club and the Fire Prevention Club** were held in conjunction at the Hotel Pantlind, Grand Rapids, Tuesday evening. The annual meetings of the two organizations were held earlier in the day and routine business transacted.

At a special meeting of the directors of the **Boston insurance company,** held last Saturday, the expected came to pass in the acceptance of the resignation of William Wallace and the election of William R. Hedge to the vice presidency relinquished by the former.

The **Metropolitan Surety** Company of New York, of which Mr. John J. Caulett is president, received its license last Saturday from Superintendent Hendricks, and wrote its first policies on Monday. It has $250,000 paid up capital, which will be increased.

The directors of the **North River Fire** insurance company of New York this week elected John A. Forster, who has been with the company for seventeen years, to be **second vice president.** This recognition of his ability is well deserved.

The life insurance companies have begun the payment of **taxes on** their **Missouri premiums,** the largest amount being $54,583.16 from the Metropolitan Life. The New York Life, the Mutual, the Prudential and the Equitable followed in that order.

The **Security** insurance company of New Haven, Conn., has decided to **increase its capital stock by $100,000,** making the total capital stock of the company a half million of dollars. This new issue of stock will be disposed of to stockholders at par.

In the Rhode Island House of Representatives on Tuesday Mr. Rich introduced an act to incorporate the **Cosmopolitan Life Assurance Society of the United States of America.** It was referred to the Committee on Incorporations.

The **Chevaliers,** a fraternal organization of Akron, Ohio, has been **forced into receivership** by Attorney General Ellis, of that State, on quo warranto proceedings, as a result of falling below the legal number of membership.

The **National Board's** standing **reward of $1,000** for the arrest and conviction of the Park Slope firebug in Brooklyn is still without a claimant. Must be money is easy in that vicinity, but how about the cops?

The **Security Mutual Life** insurance company of Binghamton, N. Y., has moved into its new edifice in that city, where it occupies the eighth, ninth and tenth floors. The change was made last week.

All the **Western life insurance companies** report their March business as unusually good. The Northwestern Mutual Life wrote over $1,000,000 in Chicago, and without any special effort.

There are **no spots on the Sun** building now that the new Pine street front has been completed, with its architecturally

(*Continued on page* 340.)

LIFE INSURANCE AS A CAREER.

By George T. Dexter, Superintendent of Domestic Agencies, Mutual Life Insurance Company of New York.

In treating of this topic I shall enter into no futile discussion of the question whether or not life insurance is a profession. I simply assume that it ought to be a profession, and shall treat of it from the standpoint of those to whom it is a profession. I shall therefore leave out of consideration that vacillating class who have never seriously regarded the work as other than a temporary makeshift, and who are all the while planning, if they plan at all, an early transfer to some more congenial calling.

The young man who would study the advantages of life insurance as a career should consider what has been accomplished by those who look to it as their life work, and who devote to it their undivided time and energies. Measured by this standard, its emoluments, its opportunities for advancement, its social and material benefits will compare favorably with those of other professions.

In a prominent Eastern city a single agency has on its force 100 active men whose average earnings during 1904 were $2,870 each. These are men of culture and standing, a large proportion of whom have never been engaged in any other calling, and all of whom may be regarded as fair representatives of the class to whom life insurance is a profession. A comparison with a like number of lawyers, clergymen, physicians, teachers, will not be to the disadvantage of the life insurance men in income, social status, or professional standing.

A life insurance career offers its adherents a greater degree of freedom and independence than any other. The life agent chooses his own employer, selects for himself the field in which he will operate, and fixes his own hours of labor. He makes his own plans and executes them according to his own pleasure. He is subject to no man's beck and call, and has no dread of business reverses or loss of work, for he is never without employment, save of his own choosing.

It must not be overlooked, however, that this very condition of freedom and independence, this very liberty of action vouchsafed to the life agent, has within it the seeds of his own undoing. Being his own master, he is too apt to be an overindulgent one. Free to come and go as he pleases, to work as he likes and to idle when the humor seizes him, he grows careless and indifferent, and dissipates valuable time. Finding it possible to abandon this work temporarily, for a month or a year, and to take it up again with apparently less detriment than would follow in other callings, he is prone to drift off on side issues and to wander away after strange gods, experimenting with new schemes and exploiting new projects. Thus one of the chief advantages of life insurance as a career may prove a pitfall to those lacking persistence and fixity of purpose. The effect is to weed out of the profession at an early date the unstable and vacillating, whose destiny is failure in whatever engaged.

Life insurance as a career offers the earliest returns for effort expended. The young lawyer must wait for clients, the physician for patients to come to him. The clergyman must wait for a call, the teacher for an engagement. Professional ethics interpose a barrier in the way of the physician or lawyer who would solicit patronage or advertise his wares. The life agent, on the other hand, who solicits business most industriously and advertises most judiciously, is the one who wins most surely the approval of his associates and patrons, and attains the earliest and greatest success.

In no other profession or calling are the opportunities for rapid advancement more abundant or less restricted than in life insurance. The young man looking for promotion in the mercantile, manufacturing, or banking business, in railroad or government service, unless favored by some unusual and unexpected circumstances, must take his turn with others, often waiting weary years for the man ahead to move higher up. Not so with the life insurance man. His progress and success depend upon his own efforts; his compensation and advancement are gauged by what he himself accomplishes.

If the young man would enter upon a mercantile or manufacturing career on his own account, capital, and in these days very large capital, will be required. Industry, integrity, courage, constitute the capital of the life insurance agent. Minor qualifications that might be named are largely the natural outgrowth of these. A special adaptation to the business, that is, a native talent for salesmanship, is, it is true, a prerequisite to any degree of success. It may be conceded, too, that there are those who are so little endowed by nature with this gift that a successful career in the work of selling life insurance would be impossible. Oftener, however, failure is to be attributed not to lack of natural talent for salesmanship, but to want of simple courage more than to anything else. This is the one supreme quality, wanting which failure is inevitable. A timidity in approaching people and unreasonable fear of rebuff is the bane of the life agent otherwise industrious, talented, energetic. Because he dreads the ungracious reception or the rude repulse, often only imaginary, he hesitates and defers and remains inactive, incurring thereby a reputation for indolence and incapacity when ordinary pluck alone was lacking. Plain, old fashioned pluck, indomitable resolution, a determination to win in spite of the world, the flesh and the devil—these are the qualities that take precedence of all others.

The successful life agent must be what the successful man is elsewhere—tactful, diplomatic, earnest, considerate of the feelings of others, always a gentleman. He must be a student of human nature withal, able to look at his proposition from the prospective applicant's point of view, and ever ready to adapt his argument to the modes of thought and preconceived ideas and prejudices of the latter.

To a successful career in life insurance, thorough preparation for the work, as in other professions, is necessary. More readily than in other callings, however, this necessary training and education may be acquired after entering upon the practice of his profession. Or rather, the student who is seeking to qualify himself for a life insurance career may participate

from the first in the emoluments of the business, since at least a moderate compensation is incidental to the practical training in soliciting which he necessarily acquires under the direction of the manager while securing the requisite technical knowledge by study and instruction.

If my remarks so far pertain chiefly to agency work it is because this is the field occupied by the vast number of those who take up life insurance as a career. The possibilities of the business, however, are not limited to the work of soliciting. As the practicing lawyer may be called to a seat on the bench, so the life insurance solicitor may attain to official position in the home office if such a place be thought desirable. Many of the leading officials of prominent companies began their life insurance career with the rate book, but in this as in other lines it is by no means certain that an aspiration for office is a wise ambition. The substantial rewards, after all, are to be won in the field—an equitable equivalent for work accomplished—all that is one's own with freedom from responsibility.

What of the outlook for the future? The status of the life insurance agent has materially changed within a generation. Those who were wont to take up the work in a doubtful, half hearted way as the only thing available at the time, having failed in other lines, are still in evidence, though relatively few compared with the earlier years. More than ever before ambitious young men, college men, men of brilliant parts and of high social standing are looking to life insurance as a career. With the accession of men of this stamp in increasing numbers, the standard of professional honor and courtesy, the recognized comity of companies, is distinctly advancing. The old spirit of intolerance, of jealousy, of war to the knife is giving way to a spirit of good will and generous rivalry and honorable competition. It has come to be understood that all are working in a common cause for a common end. Your competitor, after all, is a decent sort of fellow, an earnest worker and a hard fighter, but never striking below the belt. He represents an excellent company, one that can and will fulfill its contracts to the letter, though you may know of another that can do a little better for the prospective applicant.

Competition exists, will always exist, as, indeed, it should, but it will be kept within honorable bounds. A rapidly forming system of professional ethics is gradually eliminating unfair methods and questionable practices. The ignorant agent, who, having little knowledge of insurance principles, unwittingly misrepresents the facts, and the unscrupulous solicitor who does not hesitate to mislead the public, are gradually retiring from the calling upon which they have brought discredit.

George F. Dexter

FACTS AND OPINIONS.

(*Continued from page* 338.)

attractive entrance, big front windows and marble interior decorations.

An official denial comes from Hartford of the rumor started by someone in New York that **Mr. James W. Alexander** is to take the presidency of the Connecticut Mutual Life insurance company.

The **California insurance company** of San Francisco, which retired from business in 1892, has been reorganized with $250,000 capital and $150,000 surplus. The stock was oversubscribed.

Illinois this week **admitted the Michigan Commercial** insurance company and also the Manufacturers' Mutual, the Security Fire and the Philadelphia Casualty Company.

The Ohio Confectioners' Association has decided to establish a **candy makers' mutual company,** holding that the rates charged by the regular companies are excessive.

The **Equitable** Life Assurance Society has **paid** the J. Samuel **McCue claim** of $7,662. McCue was the ex-mayor who was hanged for murder.

A **license in Missouri** was issued last week to the **United Firemen's** insurance company of Philadelphia, which withdrew from that State a few years ago.

The Montreal *Star* takes the trouble to deny the report current there that the **Royal of Liverpool and Phœnix of London** are to be merged.

The **Federal of New Jersey** has begun writing business in North and South Carolina, to which States it has just been admitted.

The **Columbia of Jersey City** has been admitted to Connecticut to do a marine, inland and fire insurance business there.

The **North German Fire** of New York is undergoing examination by S. H. Wolfe for the Maine Insurance Department.

The annual meeting of the **National Fire Protection Association** will be held in New York next month.

At **Tampa,** Fla., a **life, accident and title insurance company** is being organized with a capital of $500,000.

The **National Board's corps of engineers** has put Washington, D. C., next on the inspection list.

The **German** insurance company **of Wheeling,** W. Va., will soon enter New York State.

Personal.

AGENCY APPOINTMENTS.

Insurance Company of the State of Pennsylvania: J. J. E. Rothery, Boston, Mass.

Mr. Henry Fowler, secretary of the new Calumet Insurance Company of Chicago, died suddenly from heart failure at St. Paul, Minn., on Thursday. He was the founder of the company, which began business only two weeks ago, and he was in St. Paul for the purpose of placing an agency there. Mr. Fowler was thirty-seven years old, but had had over sixteen years of continuous field service with the Insurance Company of North America, Pennsylvania Fire and Home of New

York. He left the latter company last year to undertake the organization of the Calumet. He was a native of Sharon, Wis., where he will be buried.

Dr. S. L. Fuller, long general agent of the Washington Life insurance company at Chicago, who removes to Milwaukee to take charge of the company's business there, was given a farewell luncheon at the Union League Club, Chicago, on Friday of last week, by a number of his associates in the local and national life underwriters' associations. A handsome silver loving cup was presented to Dr. Fuller. H. S. Dale, of the Union Mutual, presided at the occasion, and W. D. Wyman made the presentation speech.

Mr. E. D. Rae, district agent for the Travelers in Missouri, was the first Missouri agent to qualify for participation in the Hartford convention next July. In recognition of this S. R. McBurney, manager at St. Louis, has presented him with a silver loving cup. Manager McBurney has received a handsome watch from the company for his success in the annual contest in 1904, when he stood fifth, being third in the accident department and thirteenth in the life.

President John M. Pattison, of the Union Central Life, is talked about in Ohio Democratic circles as the next Democratic candidate for Governor of that State. The Cincinnati *Post* says: "A great many Democrats, especially business men, claim that Mr. Pattison would poll a big vote and would have not an inconsiderable following among Republicans."

Mr. Ira Welch has resigned as manager of the St. Louis office of the Western Adjustment and Inspection Company, and on April 1 was succeeded by A. A. Crandall, from the Chicago office. W. J. Greer, formerly general adjuster of the Norwich Union, became assistant general manager of the Western Adjustment Company on April 1.

Mr. George G. Brown, of Cincinnati, Ohio, has just formed the General Underwriting Company, of that city, with offices in the First National Bank Building. The company writes for several casualty insurance companies, and was this week appointed local agent of the Williamsburgh City Fire insurance company of New York.

M. Edmond Olivreau, editor in chief of the *Moniteur des Assurances*, of Paris, France, and a well known statistician, died at Plessis-Trévise on March 10, aged fifty-five years. For twenty years he was a member of the staff of *L'Argus*, of Paris, and five years ago took charge of *Le Moniteur*.

President John A. McCall, of the New York Life insurance company, was in Chicago this week, after a visit to the company's chief Western agencies. A rally of Chicago agents was held in his honor at the Auditorium on Thursday. Mr. McCall left for New York yesterday.

Mr. Arthur W. Murton, inspector of agencies of the Canada Life insurance company for Western Ontario, with headquarters at Guelph, was killed by a railroad train near High Park, Montreal, on March 27. He was fifty years old, and had a fine insurance record.

Mr. G. H. Stratton succeeds Mr. D. D. West as special agent of the Federal and the Assurance Company of America, of New Jersey, for the States of Ohio and Michigan. Mr. Stratton has been for some time in the main office of the Royal Exchange in New York city.

Mr. Daniel Wheeler, of Wheeler & Son, the leading local agents at Omaha, died suddenly last week. He had been out playing whist with Inspector Beeson, of the rating bureau, and was stricken with heart disease soon after his return to his home.

Mr. Fred M. Gund has been appointed to succeed Mr. William Trembor as secretary of the German Fire insurance company of Freeport. Mr. Gund is thirty-three years old and a son of the late Fred Gund, the first secretary of the company.

Mr. R. H. Macauley has been appointed to succeed Mr. F. G. O'Hara as general agent of the Ætna Life of Hartford at Detroit, Mich. His offices will be in the Majestic Building, and he will supervise the eastern part of the State.

Mr. Walter W. Kirkpatrick, special agent of the South Eastern Tariff Association at Atlanta, Ga., becomes on May 1 special agent of the Traders of Chicago for Louisiana, Mississippi and Alabama at New Orleans.

Mr. W. C. Trabue has been appointed general manager for the new Commonwealth Life of Louisville. He has been general agent for the Penn Mutual for some years. F. G. Brodie succeeds him.

Mr. Frank E. Martin, an insurance broker of New York city, died April 1 at his home in West Orange after a long illness. He was a member of the Underwriters' Club, and was fifty-five years old.

Mr. F. G. Brandt, a local agent at Dubuque, Ia., for a decade past, died there March 31, aged seventy-three years. He was a native of Germany and a veteran of the Civil War.

Mr. Herbert Presson, a prominent insurance agent of Gloucester, Mass., died there of apoplexy April 1, aged sixty years. He was found dead near his boathouse on the beach.

Mr. J. C. Campbell, general superintendent of the John Hancock Mutual Life at Columbus, Ohio, has been mentioned as Republican candidate for mayor of that city.

Mr. Jeff B. Marmon has resigned as Louisville agent of the Union Central Life, to become manager for West Tennessee of the State Life of Indiana.

Messrs. T. Y. Brown & Co. have been appointed sole agents for the Caledonian-American Insurance Company for Manhattan and the Bronx.

United States Manager Charles H. Post sails on the Deutschland April 27 to attend the centenary of the Caledonian Insurance Company.

Mr. J. Walter Keefe, a life insurance agent of Boise City, Idaho, has been appointed Deputy Insurance Commissioner of that State.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Colorado.

DENVER, Col., April 4.—The Legislature has adjourned. No measures affecting insurance were passed.

Connecticut.

HARTFORD, Conn., April 4.—The bill requiring the reinsurance reserve of surety companies transacting business in Connecticut to be 50 per cent. of the gross premium receipts on insurance in force has been signed by the Governor and becomes operative after adjournment of the Legislature.

HARTFORD, Conn., April 6.—The hearing on the bill regarding the proposed distribution of the safety fund among the assessment policyholders of the Hartford Life insurance company, which was to have been held by the Insurance Committee of the General Assembly this afternoon, has gone over for a week. Hon. Lewis Sperry, a director and counsel for the company, was unable to appear today. There are now 23,000 assessment policies alive and when the company discontinued issuing that kind of policy there were 46,000 in existence.

The hearing is now assigned for Thursday, April 13, and, it is expected, will be a lively one. So far no counsel has appeared for the policyholders who are behind the measure.

An adverse report has been made on the resolution incorporating the Catholic Fire insurance company and the measure has been disposed of.

Delaware.

WILMINGTON, Del., April 3.—The Legislature which recently adjourned accomplished no insurance legislation.

Illinois.

SPRINGFIELD, Ill., April 5.—The House Insurance Committee today voted to report favorably Mr. Beebe's bill, House Bill No. 531, requiring foreign insurance companies to either deposit in this State, or show a certificate of deposit with some other State, securities to the amount of $100,000 to protect the interests of the policyholders living in this State. The bill was drawn by the State Insurance Department.

The committee also reported out Senate Bill No. 137, authorizing foreign insurance companies to insure against loss by sprinklers or other fire protective apparatus. The committee also took up House Bill No. 443, by Mr. Loy, which provides a fine of $10,000 for insurance companies which pool or agree to regulate rates of insurance, owing to the desire of insurance representatives to be heard and the fact that the matter is fully covered in the McKinley anti-trust bill. No action was taken. There will be a public hearing on the bill next Tuesday.

In the Senate Senate Bill No. 315, by Mr. Berry, amending the law regarding casualty insurance companies, which was recently tabled, was, at the request of Senator Berry, taken from the table and referred to the Insurance Committee. The bill requires the Superintendent of Insurance to charge as liabilities of casualty companies all outstanding indebtedness and requires in-

surance companies to make yearly reports of experience on liability policies in every State.

SPRINGFIELD, Ill., April 6.—The House today passed the Stead-McKinley anti-trust bill, House Bill No. 488, by a vote of 112 to 9. The bill brings insurance companies within the anti-trust law. It now goes to the Senate.

Kansas.

TOPEKA, Kan., April 3.—Following is the text of House Bill No. 728, relating to beneficiaries, which passed the Legislature at the last session, and which is now a law:

Sec. 1. That in all cases of the death of the beneficiary in any insurance policy, before the death of the insured and thereafter the insured dies without having named another beneficiary and without having disposed of said insurance by will, then said insurance shall go to the estate of the insured the same as other property not exempt.

Maine.

The Legislature has adjourned. The only change made in the insurance laws of the State was regarding notices of loss under the standard fire insurance policy.

Massachusetts.

BOSTON, Mass., April 5.—The House has accepted, without debate, the adverse report of the Committee on Insurance on the petition of Mark N. Skerrett, with House Bill No. 678, for the abolition of classes of insurance.

A long debate on House Bill No. 1086, to incorporate the Massachusetts Casualty Company, resulted in its being ordered to a third reading by the close vote of 65 to 62.

The House had a long debate today on the bill moved by Mr. Walker, of Waltham, as a substitute for the adverse report of the Committee on Insurance on the recommitted petition with House Bill No. 563 of Samuel T. Frost for a law to permit one company to do casualty and boiler insurance business, provided it had a capital of $400,000, or an amount equal to the amount required for these kinds of business separately. The House was almost unanimous for the bill, which is general, for all incorporators, rather than special, as the bill named above is.

Michigan.

LANSING, Mich., March 29.—Senate Bill No. 267, by Mr. Fyfe, provides that the Commissioner of Insurance of Michigan is hereby authorized to employ a competent life insurance actuary for the purposes hereinafter set forth, and to meet the expenses incurred thereunder there is hereby appropriated out of the general fund of the State the sum of $3,000 for the year 1905, and the sum of $3,000 for the year 1906, and the State Treasurer is hereby directed to pay said sums in each of said years to the Insurance Commissioner upon the requisition of said commissioner. Said Insurance Commissioner shall cause the subject of old age pension insurance to be thoroughly investigated, and shall make report thereon to the Legislature not later than February 1, 1907.

Minnesota.

ST. PAUL, Minn., March 28.—House Bill No. 838, by Mr. Bardwell, amends Chapter 143, laws of 1901, in reference to the annual computation of net value of outstanding life policies.

ST. PAUL, Minn., April 3.—In committee of the whole the House today recommended to pass Senate Bill No. 219, to permit Lloyds to write sprinkler leakage.

The House Committee on Taxes today reported for passage House Bill No. 473, by Mr. Gates, to impose an additional 2 per cent. tax for fire department purposes on fire premiums in fire department towns.

The Senate today passed House Bill No. 100, by Mr. Armstrong, to permit organization of companies to insure sprinklered risks only.

The House also passed House Bill No. 348, by Mr. Fosseen, to prevent the removal to Federal courts of actions commenced against foreign insurance companies.

ST. PAUL, Minn., April 6.—The House Insurance Committee tonight decided to report for passage Mr. Wyman's House Bill No. 499, requiring annual dividends.

Nebraska.

LINCOLN, Neb., April 3.—House Bill No. 277, by the Insurance Committee, to admit foreign insurance companies to insure against accident and sickness, has passed the Senate.

Senate Bill No. 280, by Mr. Epperson, regarding place of action against insurance companies, has passed the House.

LINCOLN, Neb., April 5.—The Governor has signed Senate Bill No. 280, by Mr. Epperson, relating to the place of bringing actions against insurance companies.

House Bill No. 207, by Mr. Clark, regarding indemnity companies, was killed in the Senate.

The following bills were also passed and approved:

House Bill No. 192, by Mr. Rouse, exempting surety companies from the provisions of the law that no person shall be surety for the same officer for two successive terms.

House Bill No. 193, by Mr. Rouse, permitting indemnity companies to become surety for State depository banks.

House Bill No. 194, by Mr. Rouse, for the payment by counties of the premium on the bonds of county treasurers if county boards elect that such bonds shall be given by indemnity companies.

The following bills have also become laws:

House Bill No. 56, by Mr. Burns, transfers a section of the statute relating to stock fire companies to its proper place. It was formerly under the head of mutual benefit companies. The section requires stock life companies to deposit with the State Auditor $100,000 in securities.

House Bill No. 227, by the Insurance Committee, admits foreign companies to insure against accident and sickness.

Senate Bill No. 281, by Mr. Mockett, requiring insurance companies to file an annual statement with the State Auditor. The present law requires two statements each year, but it has never been enforced.

New York.

ALBANY, N. Y., April 4.—The Assembly Committee on Insurance this afternoon decided to report favorably tomorrow Mr. Ambler's Senate Bill No. 215, permitting fire insurance corporations to pay dividends in excess of 10 per cent., without the restrictions imposed by the present law.

Mr. Fitzgerald today introduced Senate Bill No. 859, authorizing title guaranty corporations to make and guarantee correctness of searches for all instruments, liens and charges affecting titles to real property, and to guarantee or insure bonds and mortgages and owners of real property interested therein against loss by reason of defective titles.

Mr. Riordan introduced Senate Bill No. 860, requiring all companies or individuals not of this State to obtain a license from the

Insurance Superintendent before being allowed to issue policies for excess or surplus fire insurance. They are to deposit $50,000 with the superintendent to permit them to do business. All losses under such policies are to be liens on such deposits.

ALBANY, N. Y., April 6.—In opposition to Mr. Ambler's Senate Bill No. 763 before the Senate Insurance Committee this afternoon several insurance men appeared. This is the anti-compact bill which seeks to prevent fire insurance companies from entering into or maintaining pools, trusts, conspiracies or agreements to control rates of insurance.

Mr. H. F. Atwood, of the Rochester German Fire insurance company, said that under the arrangement of the present underwriting federation rates had been reduced.

Mr. John A. Garver, representing the New York Board of Fire Underwriters, urged the defeat of the bill. He related the decisions of the United States courts to prove that it would be unjust to discriminate against insurance companies and not against other corporations. He declared that it was unconstitutional, because in order to enforce the penalty the evidence would have to be a confession of guilt on the part of the accused. This could not be enforced. The present anti-monopoly act, he said, was the most drastic one possible. There was no monopoly in the action of the board, there being merely a thirty day agreement on rates. The board simply enabled the companies to get better information as to risks and reduced business methods to a scientific plane. The introduction of electricity and other progressive inventions demanded that experts be hired at great expense, and by an arrangement the companies hired one man in each department and thus curtailed their individual expenses.

Mr. Harry H. Hall, who represented English companies, also spoke against the bill.

Senator Riordan made a sensational plea for the bill, declaring that it struck at the "greatest trust in the world," and exhibited himself as a sample of what the trust had done. It had driven him out of business in New York.

The committee voted to report the bill.

ALBANY, N. Y., April 7.—Senator Brackett was the central feature of interest at the hearing this afternoon before the Senate Committee on Insurance on his Senate Bill No. 841, to repeal the provision of the statutes governing insurance companies, which compels a suitor to bring his action through the medium of the Attorney General. The Senator claimed that the poorest policyholder should have a right of court to recover his pro rata share of the surplus. He said he felt that every effort to interfere with the present iniquitous insurance conditions would be blocked by every means known to the ablest counsel employed by the insurance companies. Such corporations should be on the same plane regarding the individual rights of citizens as other corporations. The rule of might superseded right in the case of insurance corporations. The Senator was very sarcastic at the expense of the companies.

Speaking of the Equitable trouble he said that the present tangle was merely a proof that reform was needed so that the poorest ploughman in Saratoga County who might be a policyholder would have the right to sue a corporation with $100,000,000 of surplus. "Yet the coward's cry," said the Senator, "comes from the coward's throat that if such right was given insurance companies would be inundated with suits. What right has the Attorney General to say whether I shall bring suit against the Equitable or any other person or vice versa. It's none of his business. If such a condition is continued then I have no respect for such law. It should not be one law for the rich and another for the poor. The cry of this greatest Goliah was 'Protect me from this poor David and his sling.' In this justice loving country must we stand such things?"

A Edward Woodruff, who claimed that he represented Equitable policyholders, and Raphael J. Moses, a lawyer who has a suit against the company for a disgruntled policyholder, also spoke in favor of the bill. No one appeared against it, but a member of the committee said that telegrams had been received from persons opposing it asking for an opportunity to be heard at the next meeting of the committee.

The tax bill signed by the Governor was not the Foley bill to tax gross premiums, as was stated last week, but the bill of the insurance committee to amend Section 187 in relation to the franchise tax and insurance corporations (text printed in THE WEEKLY UNDERWRITER of last Saturday). The Foley bill is still in committee of the House.

Pennsylvania.

The Senate has passed an act amending the act to prevent the issue of unauthorized policies of insurance by extending the privilege thereof to certain unincorporated associations of other States.

Tennessee.

NASHVILLE, Tenn., April 4.—The Joint Legislative Committee appointed early in the session has completed its investigation of the fire insurance business in the State, and in brief recommends a fire marshal law, validation of the three-fourths value and iron safe clauses, adoption of a standard policy, an anti-compact law as to rates, law to encourage mutual fire insurance companies, and the non-separation of the Insurance Department from the State Treasurer's office. Bills covering these recommendations are being prepared.

The House in considering the annual revenue bill took an important step toward encouraging mutual insurance companies. Heretofore these companies were taxed $300 for doing business outside of their home and contiguous counties, and then there was a graded tax on agents running from $10 down. Both of these taxes were cut out, leaving the companies and agents both without any tax.

NASHVILLE, Tenn, April 4.—The House has passed the Senate bill to permit surety companies to do business in the State, providing they have $300,000 capital, $200,000 of which shall be in United States bonds, thus doing away with the $25,000 deposit now required. It is claimed that the passage of the bill will cause other companies to come into the State.

A bill was introduced in the Senate today to give the Insurance Commissioner the powers of a fire marshal for the investigation of fires.

Another bill has been prepared for introduction in the Senate for a standard form of fire insurance policy.

The Senate has passed Senate Bill No. 250, by Mr. Fouts, requiring a detailed statement of fire insurance rates to be attached to each policy.

The Senate has also passed the bill requiring all life insurance companies, other than fraternals, to stamp on the face of policies the nature and character of the policy.

NASHVILLE, Tenn., April 4.—The Joint Legislative Committee appointed early in the session has submitted a report giving the result of its investigation into the insurance business in the State. It is in part as follows:

The committee met on Friday, February 9, 1905, and worked continuously from that date until March 4, 1905, inclusive. Senator F. L. Schubert was chairman and Representative W. W. Faw was secretary. During this period the committee was in session at Nashville, Memphis, Chattanooga, Knoxville and Bristol, in Tennessee, and in Raleigh, N. C., and Atlanta, Ga., en-

gaged in hearing the testimony of witnesses and collecting data relative to the matters referred to it.

The witnesses examined were representative property owners, manufacturers, merchants, bankers, farmers, public officials, officers and agents of fire insurance companies (both stock and mutuals) and the insurance commissioners of Tennessee, North Carolina and Georgia.

The subjects of inquiry referred to the committee by the resolution under which it was created are as follows:

1. As to fire insurance rates charged in Tennessee, and rates for like business in other States.

2. The mode and manner of doing business by fire insurance companies in Tennessee; and,

3. The financial condition of the insurance companies operating in this State. * *

The cost of fire insurance in Tennessee is too great, and fire insurance matters are in an unsatisfactory condition, in the respects hereinafter stated. Outside of the cities and towns having adequate fire departments rates are very high, and in many localities, particularly in the rural districts, fire insurance cannot be procured. The country merchants seem to suffer most in this latter respect, as adequate insurance against fire loss is of great importance to them in maintaining their credit. There are but two stock companies that write fire insurance to any considerable extent outside of the towns, and they do not operate in a number of counties in the State, so that there is a considerable portion of the State in which farm property and country stores cannot secure adequate fire insurance. * *

In making the statement that fire insurance rates are too high in Tennessee, the committee does not wish to be understood as saying that under existing conditions and laws the companies could afford to write insurance at a lower average rate than that prevailing in Tennessee, for the report of the Insurance Commissioner, based on the sworn reports of the companies, shows that the aggregate of losses paid, when added to the expense of operation, leaves little room for profit. But reliable statistics show that there are thirty States in the Union having a lower average premium rate than Tennessee; the average rate for 1903 being $1.62 on each $100 at risk. In response to that part of the resolution under which we are acting that calls for a comparison of rates in Tennessee with those of other States, we submit the following tabulated statements furnished us by the Insurance Commissioner. [Here follow tables showing the rate of premium in each State in 1903 and loss ratio in the same.]

It will be seen from this table that for 1903 there were forty States, and for the period of 1880 to 1902, inclusive, there were forty-three States having a lower loss ratio than Tennessee. The business for 1904 in Tennessee shows that for every $100 of premiums received the companies have paid out in losses $74.71. The testimony of a large number of reputable gentlemen connected with the stock companies is that it requires from 34 to 37 per cent. of the premium receipts for expenses. If this testimony be true, and we have no proof to the contrary, the aggregate fire insurance business in Tennessee for 1904 was done at a loss to the companies.

The prime cause of large fire waste is overinsurance and defective construction of buildings, especially in the matter of flues. Overinsurance begets carelessness and incendiarism. The committee is not prepared to accept the estimate of many witnesses that 33⅓ per cent. of the fires are incendiary in their origin, but there are, beyond question, frequent incendiary fires, and a very large number are the result of almost criminal carelessness.

The blame for overinsurance rests with both the insured and the agent of the underwriting companies.

One of the subjects of inquiry referred to this committee is the "mode and manner of doing business" of the fire insurance companies operating in Tennessee. The committee has understood this to have special reference to the making and maintaining rates. The State of Tennessee is one of about eighteen States in which the fire insurance is controlled by the Western Union Fire Insurance Association, an organization of fire insurance companies, with its headquarters in the city of Chicago. The States of Kentucky and Tennessee are directly under the supervision of the Kentucky and Tennessee board, which is an auxiliary, or component part, of the Western Union Fire Association. Then, subject to the Kentucky and Tennessee board, there are local boards of underwriters in the cities of Nashville, Memphis, Chattanooga and Knoxville. Tariff schedules are made up under the direction of the Western Union, and through the Kentucky and Tennessee board and a local board of underwriters these schedules are applied to the individual risks in Tennessee. Under a compact formed by the "Union" or "board" companies, these rates are strictly adhered to, and no competition or "cutting" in the matter of rates exists.

There are a few companies operating in Tennessee that do not belong to the Union, but in the matter of rates they seem to follow the board schedules as closely as the Union companies, and in many instances the agents of the "non-Union" companies are members of the local boards of underwriters, and these local boards operate under a code of bylaws which prohibit a member from writing fire insurance at any other than board rates. A violation of these bylaws is punished by a fine and by non-intercourse in insurance matters with the offending member by the other members of the board. For the larger towns a "stamping clerk" is provided, and all policies written by the agencies of the board companies must pass through his office, in order that he may determine whether or not the risk has been written at the board rate.

This system has entirely eliminated competition in Tennessee, and all fire insurance on the same class of risks is written at the same cost to the insured except the small business done by the farm mutuals in a few counties and a comparatively few risks written by trade mutuals from other States. There is some property in the State insured in companies located in other States and not authorized under our laws to do business in our State, but this is hazardous to the insured, as it would be difficult, if not impossible, to enforce a proper adjustment and settlement in our courts in the event of a disagreement between the insured and the company.

The committee has been unable to find any evidence of a "pooling" of interests among fire insurance companies in the matter of profits and losses or the results of business, of the character known as the "trust" in the commercial and manufacturing world. The combination between the companies seems to be limited to the purpose of making and maintaining uniform rates. The advocates of this combination justify it upon the ground, that inasmuch as fire insurance rates must be based upon experience and inspection, the "Union" can do for all what each must otherwise do for itself, and that a great saving to the insuring public is therefore effected. As the expense of the operation must be paid by the insured to this extent, this committee believes the "compact" proper and beneficial; but when it goes further and establishes a system such as that existing in Tennessee, which absolutely stifles competition, it is wrong and injurious.

The fire waste in Tennessee is, as heretofore stated, abnormally large, and as one important step in the direction of reducing rates the fire rates should be reduced, if possible. The committee would recommend the enactment of a fire marshal law along the lines of the present North Carolina law. That law makes the insurance commissioner ex-officio fire marshal for the State, and the chiefs of fire departments or chiefs of police in cities and towns and the sheriffs of counties outside of the cities and towns to be deputies to act under the direction and control of the State fire marshal. All fires are investigated by this department and records of all the facts developed concerning the origin or cause of the fires are filed and preserved by the Insurance Department. Whenever sufficient facts are found to justify it a prosecution for arson is conducted at the instance of the State fire marshal. Under the operation of this law there have been thirty-nine convictions for arson and incendiary burning in North Carolina in the five or six years in which this law has been in operation.

The fire marshal's law also provides for a system for inspection of buildings, having for its object the improvement of risks and the prevention of fires.

The committee recommends that the companies be permitted to use in their contracts, when agreed to by the insured, the so called "limitation clause," viz., the "three-fourth value clause" and the "iron safe clause," but on condition that same shall be attached to the policy by the way of "rider" in a conspicuous manner, and, provided, as to the "three-fourth value clause," that, in the event of a settlement in case of loss for a less sum than the face of the policy, the company shall be required to return to the policyholder that part of the premiums paid on the excess above the amount of settlement, with interest from time of payment.

Briefly stated, the principal reason for recommending the validation of these clauses is in order to enable the people in the rural districts, especially the country merchants, to procure fire insurance, as the companies, in the main, decline to write fire insurance in districts having no fire protection because they cannot use these conditions in their contracts. The companies do not seem to desire to use these clauses in protective districts.

The committee believes that the enactment of a law providing a standard for a policy for use in Tennessee would be wise, as it

would tend to certainty and uniformity in contracts, and thereby avoid much litigation. The operation of standard laws in other States where enacted have proved satisfactory.

The views of the committee have been expressed hereinbefore to the effect that co-operation among the insurance companies should be permitted in the matter of preparing rating schedules based upon experience and inspection, but no further. A law should be enacted, if possible, forbidding all compacts whereby freedom of contracts as to rates is stifled.

The committee has had under advisement the question as to whether or not the Insurance Department should be separated from the Treasurer's office and made an independent department. The Insurance Department has been so ably administered under existing laws by the State Treasurer that there is nothing in our experience in this State to justify the belief that a division of the departments and the creation of a new official would benefit the insuring public.

It is also suggested that it would be contrary to our government, if not to our organic law, to reduce the compensation of the State Treasurer during his term of office.

The committee is of the opinion that such laws should be enacted as will encourage the organization of mutual fire insurance companies in Tennessee under such proper safeguards as will protect the insuring public. Some of the reasons for making this recommendation have been already stated herein.

NASHVILLE, Tenn., April 5.—A bill for a standard fire insurance policy law was introduced today in the House by the Joint Insurance Investigating Committee. It is a copy of the New York standard policy.

An anti-compact fire insurance bill was introduced in both houses of the Legislature today, entitled "An act to prevent any agreement between fire insurance companies doing business in Tennessee to maintain rates to be charged for insurance on property located in this State and to prescribe penalties for violation of this act."

Texas.

AUSTIN, Tex., April 4.—House Bill No. 22, by Mr. Williams, for the taxation of intangible assets of insurance companies and all other companies doing business in the State, has passed the Senate. It requires yearly reports of gross receipts and creates a State tax board for the assessment of such taxes.

Wisconsin.

MADISON, Wis., April 1.—Senate Bill No. 408, by Mr. Munson, for a resident agents law, has passed the Senate and is now in the House Insurance Committee.

Senate Bill No. 425, by Mr. Noble, regarding distribution of surplus, has passed the Senate and is in the House Insurance Committee.

The Senate Insurance Committee has recommended that the following bills be indefinitely postponed:

Senate Bill No. 45, by Mr. Smith, regarding reserves.

Senate Bill No. 82, by Mr. Beach, relating to casualty, title, credit and surety companies.

Senate Bill No. 92, by Mr. North, anti-combine.

Senate Bill No. 241, to authorize the incorporation of fire insurance companies to insure State and county buildings.

Senate Bill No. 271, by Mr. Beach, settlement of fire losses.

Senate Bill No. 477, by Mr. Roehr, relating to the capital of casualty, credit, title and surety companies.

Communications.

Favored Condition of Canadian Policyholders of the Mutual Reserve Life.

To the Editor of The Weekly Underwriter:

As the Mutual Reserve Life insurance company has made a special call on its assessment members, which, in some cases, is nearly three times larger than the regular bi-monthly calls, I desire to present a few facts for the benefit of American assessment members and for the consideration of the Insurance Department at Albany.

The act under which the company took out a license in Canada in November, 1904, contains the following clause:

"(*c*) The holder of any such assessment policy shall have the right to continue his said policy for the full amount thereof as a yearly renewable term policy upon which the premiums shall not exceed the net yearly natural premiums for the attained age of the insured calculated upon the basis of the mortality table and rate of interest aforesaid (the H. M. and 3½ per cent. interest), with a loading of 5 per cent. for expenses."

In the following table column one shows the amount per $1,000 insurance collected (eight calls) in 1904; column two shows the maximum amount per $1,000 insurance which can be collected on assessment policies in Canada; column three shows the amount of six calls at attained age:

Age.	*1.	*2.	*3.
35	$15.94	$8.90	$11.94
40	17.60	10.40	13.20
45	19.92	12.37	14.94
50	24.48	16.18	18.36
55	39.28	21.32	29.46
60	54.24	30.11	40.68
65	84.24	44.06	63.18
70	124.00	63.09	93.00
75	188.72	99.79	141.54
80	288.96	146.75	216.71

I am an American and wish to know how any life insurance company can collect more than four times the amount from me that it can legally collect from a Canadian at the same age and for the same amount of insurance. I am now sixty-six years of age, and in 1904, on my $5,000 policy, against which there is a lien amounting to $2,283.95, I paid $421.20 in assessments, $10 in dues, and $114.20 in interest on the lien, making a total of $545.40 in one year for $2,717 of insurance, this being all that my heirs would receive at my death. My Canadian cousin also has a $5,000 policy, and there is no lien against it because under the Canadian law he has "the right to continue his said policy for the full amount thereof," etc., and at my age in 1904 the total cost for one year could not exceed $230.30. He is exactly the same age as I am, and has the same kind of policy, issued for the same amount and about the same time as mine was, and yet, under the Canadian law, he has nearly double the insurance I have and at less than one-half the amount I paid last year.

The act under which the Mutual Reserve Life insurance company took out a new license in Canada November, 1904, is known as Bill "H," and is entitled "An act respecting the Canadian assessment policyholders in the Mutual Reserve Life insurance company." On the first reprint of this bill there is the following: "Reprinted as redrafted, June 30, 1904, by Messrs. W. Fitzgerald, Superintendent of Insurance; Thomas Bradshaw, representing the Canadian Life Insurance Officers' Association, and Geo. D. Eldridge, vice president of the Mutual Reserve Life insurance company, in pursuance of instructions from the sub-committee to whom the bill was referred by the Senate Committee on Banking and Commerce."

Having urged the Canadian Parliament to pass this act, and having taken out a license under it, the Mutual Reserve Life insurance company must comply with it, and, therefore, not only cease making *extra calls* but also reduce the bi-monthly calls by nearly one-third at attained age as per its table of rates. Compare columns two and three in the above table. There were eight calls made last year, and yet according to

* Expense dues not included.

the annual statement of the company the unpaid claims at the end of the year, December 31, 1904, amounted to $796,704.31, and the surplus has decreased from $506,587.89 to $376,668.28, a decrease of $129,919.61 in 1904. In view of this condition of affairs what object had the management of the Mutual Reserve Life insurance company in taking out a license under an act which will limit its income on assessment policies in Canada to about one-half the amount collected in 1904?

The situation seems to be this: The reduction in cost to Canadians must be made up by increased cost to Americans, otherwise the company will be unable to pay its claims.

A POLICYHOLDER.

NEW YORK, April, 3, 1905.

[Doubtless our esteemed friend the vice president and actuary of the company will gladly embrace the opportunity to relieve the perplexities of our correspondent by an explanation.—ED.]

Miscellany.

The Equitable Life Assurance Society Controversy—The Documents in the Case—Action of the Board of Directors on Thursday.

In accordance with the request of the officers and the committee of policyholders of the Equitable Life Assurance Society the superintendent of the New York State Insurance Department began an examination of its affairs on Monday last. The examination is in charge of Deputy Superintendent Hunter, and will be mainly conducted by Examiner Vanderpool.

Statements were issued during the week by Vice President Hyde and President Alexander. The following is the

STATEMENT OF MR. HYDE.

To the Agents and Policyholders of the Equitable Life Assurance Society:

The public press for several weeks past has been filled with scandalous charges relating to my conduct as a director and officer of the Equitable Society. These charges are false. They have their origin in an effort by individuals to obtain control of the Equitable Society and its assets. It is impossible for me to meet them and to have their falsity established in the newspapers, and as the only way to meet them I have requested the Superintendent of the Insurance Department of the State of New York to make an immediate, thorough and drastic investigation of the entire management of the society.

As to the granting of participation in the control of the society to policyholders, I have ever since the subject was first broached expressed my willingness to have the stock left by my father voted by the trustees in whose hands he left it in favor of granting such participation; and upon that subject I am in entire accord with the board of directors of the Equitable Society, with the New York policyholders' committee and with the Superintendent of Insurance of the State of New York.

I do not control the Equitable Life Assurance Society. The stock left by my father, the founder of the society, is held by trustees, of whom the president of the society, Mr. James W. Alexander, is one. The only power of that stock is to elect directors, and as to that no question has ever arisen between the trustees and myself since my father's death. The Equitable Society is governed by a board of directors, most of whom were elected before my father's death and before I was of age. They are a body of men of the highest character and standing in the community.

I have no official power in the society except such as the president of the society chooses to give me, and I have exercised no power except with the concurrence and for the benefit of the society itself.

The management of the society during the brief period of my connection with it has been successful, prosperous and in the highest degree beneficial both to policyholders and to the society. I challenge the fullest investigation of that management, including every official act of mine, and I ask the agents and policyholders who have shared in the prosperity of the great institution built up by my father to form their judgment of me as well as of my associates upon the results of such an investigation, rather than upon irresponsible and sensational newspaper articles inspired by selfish personal interests.

I believe that against any effort which may be made to continue controversy for personal ends this matter will shortly be disposed of with advantage to the society, and in the meantime I beg you to believe that your company never was stronger nor your interests safer financially than now. JAMES H. HYDE.

Following the above the next day appeared the

STATEMENT OF MR. ALEXANDER.

It has been my settled purpose to avoid as far as possible a discussion in the public press of the merits of any phase of the controversies now existing within the Equitable Life Assurance Society. It is properly a matter of concern with me to avoid any expression which will embarrass the board of directors in the discharge of its duties or that will give rise to premature judgments on any matter affecting the society or any individual. I am confirmed in this resolve by the fact that an examination of the society was asked for by me through a letter addressed to the Superintendent of Insurance on February 21, 1905. This examination is now in progress. Its result will establish the truth or falsity of many matters which are now being alleged on the one hand and controverted on the other.

In a signed statement issued by the vice president of the society, Mr. James H. Hyde, on Saturday, April 1, 1905, certain statements were made which I cannot allow to pass unchallenged. He says that the charges that have been made against him have their origin in an effort by individuals to obtain control of the Equitable Society and its assets. On the part of myself and the other officers of the society who are associated with me in this movement, I desire to deny that our action is influenced by any motive except a desire to discharge our duty as officers of the society.

Mr. Hyde further says that he has exercised no power except with the president's concurrence. In reply I assert that Mr. Hyde's usurpation of the president's authority and his habitual action without the consent or the knowledge of the president of the society are among the subjects of serious criticism against his conduct as an officer of the society.

Mr. Hyde's request for an examination of the society's affairs by the Superintendent of Insurance must be viewed as an acquiescence in my course in this respect, which a few days ago Mr. Hyde was disposed to regard as taken without authority.

I have thus far made no denial of the frequent assertion that as one of the trustees of the Hyde stock I am vested with the voting power upon it. The trust expressly provides that no vote shall be cast upon the Hyde shares at any election of the society by the three trustees except for a person approved by Mr. James H. Hyde, who is also one of the trustees.

JAMES W. ALEXANDER.

Charges having been made that Vice President Tarbell had, with the concurrence of President Alexander and without the knowledge of the executive committee of the board of directors, been paid out of the funds of the society on February 8 last $135,000 for his future renewals on business obtained by him, he also issued a statement as follows:

STATEMENT BY MR. TARBELL.

I was, for many years prior to my election to the society as a vice president, its manager at Chicago. The volume of business written by me during the long period of my representation of the society in Chicago and previously at Milwaukee approximated $100,000,000.

My renewal interest on business written by me as an agent is secured to me under the terms of the society's contracts with me. It has been for many years the custom of the society to purchase the renewal interests of its agents whenever it could do so at advantage to itself. The liability of the society for the payment of commissions on renewal premiums is a fixed liability and the society has derived no inconsiderable profit in the past from the purchase of such interests. It is a matter which is strictly within the routine of the society's business.

The value of such renewal interests can be closely calculated by the society's auditors and actuaries, and I have been under standing instructions for years to close up the accounts of agents in regard to their renewal interests wherever it was possible with

Death of President Montgomery of the American Fire Insurance Company of Philadelphia.

Thos H. Montgomery

In the death of Thomas Harrison Montgomery, American fire underwriting has lost one of its historic characters. While executive officer of the National Board of Fire Underwriters from 1872 to 1878, when it undertook to rate the entire business of the country, he was the centre around which the storm raged, and conducted himself with a resoluteness and good judgment which won the gratitude and warm admiration of the companies whose interests he guarded. Mr. Montgomery was the most amiable of men; a gentleman in every fibre of his being, honored and beloved by everybody who knew him.

He was born in Philadelphia February 23, 1830, the son of the Rev. James Montgomery, D. D., a distinguished Episcopal clergyman and a descendant of the elder branch of the Montgomeries of Scotland, the representative of whose younger branch is the present Earl of Eglinton and Winton. In 1847, then seventeen years old, Mr. Montgomery entered the wholesale drug house of Ellis & Co., of Philadelphia, which led him to the study of pharmacy, and he was graduated from the Philadelphia College of Pharmacy in 1851. While in the drug business he became interested in the organization of the Enterprise Fire insurance company of Philadelphia, and was induced to accept the secretaryship. He was vice president at the time of the Chicago conflagration of 1871, in which the company was burned up.

One effect of the great fire was to unite the surviving companies in a supreme effort to recover their losses by a systematic advance in rates. The National Board of Fire Underwriters, to which most of the companies belonged, was the most convenient medium then at hand to vitalize this policy, and Mr. Montgomery was selected as its administrator. He was endowed with the title of general agent and clothed with almost dictatorial powers. Naturally a man in such a position would encounter opposition and in enforcing regulations create dissatisfaction among both property owners and local agents, but it can be said of Mr. Montgomery that no other man probably could have performed his arduous and oftentimes disagreeable duties with a smaller measure of friction. When he resigned in May, 1878, after six years in office, he had succeeded in bringing the fire underwriting interest through its troubles to the plane of prosperity again.

After a short service in the home office of the Insurance Company of North America, Mr. Montgomery was elected vice president and managing officer of the American Fire insurance company of Philadelphia. He succeeded as president on the death of Mr. Maris in 1882. For twenty-three years he has been at the head of that sterling institution, displaying in its management the same administrative qualities which brought him so much success as general agent of the National Board. He took a strong interest in the organization of the Philadelphia Fire Underwriters' Association, and was its first president, serving from 1883 to 1887. He had a fine turn for literature, and was distinguished as an antiquarian. He wrote a valuable history of the Insurance Company of North America, which did his historical acumen great credit, and he was also author of a history of the University of Pennsylvania from 1749 to 1770. At the annual commencement of 1901 the university conferred on him the degree of Doctor of Laws, *causa honoris*. He was also a frequent contributor to the historical magazines. He represented a Revolutionary ancestor in the Pennsylvania Society of Sons of the Revolution.

Mr. Montgomery died at his home in DeLancey place, Philadelphia, at 12:30 o'clock Tuesday afternoon, after an illness of but forty-five minutes. The cause was heart failure. He was at the company's office as usual the previous day, but had not recently been very active, Vice President John H. Packard, Jr., having taken immediate direction of the business. Mr. Montgomery is survived by his widow, three unmarried daughters and five sons. The funeral services were held at Christ Protestant Episcopal Church yesterday afternoon, the directors of the American Fire insurance company acting as pallbearers. The interment was at the cemetery of St. James the Less.

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any saving to the society. I have for some time been desirous of realizing upon my renewal interest, and prior to the date on which I availed myself of the society's rule with reference to transactions of this kind I had been in conference with the society's auditors and actuaries as to the calculation of the value of my renewal interest.

I made an offer to the society to dispose of my renewal interest at a figure considerably lower than the society's auditors calculated it. The president confirmed the calculation as to the valuation of my renewals, and as my offer was less than their value computed by the society's auditors it was accepted and my renewals thus disposed of in entire conformity with the practice of the society ever since its organization.

Such matters have never been referred to any committee of the society. They are matters of strict calculation. These renewals are now being acquired with no authorization beyond the certification of value by the mathematical officers of the society and the executive approval.

As an evidence of the confidence that I have in the Equitable, I might add that I am now carrying $500,000 insurance in the society, and have paid thereon in premiums more than $115,000.

STATEMENT BY SENATOR BRACKETT.

Senator Brackett also had his say in the Legislature. He introduced the following resolution on Monday:

Resolved (if the Assembly concur), That a joint committee,

consisting of three members of the Senate and five members of the Assembly, be appointed to investigate the affairs of the Equitable Life Assurance Society of the United States; to ascertain whether any improper use has been made of the funds of said society, either temporary or permanent, or any waste or misappropriation; whether there has been any violation of law on the part of any director of said society with respect to the sales of securities to said society, or the receipt of commissions or compensation for such sales; whether the rates charged by said society for insurance and the expenses of the society are extravagant, and generally whether said society has been managed honestly and with a proper regard to the interests of the persons interested in said society.

Said committee is hereby given power to sit when the Legislature is not in session, and to make its report at the next session of the Legislature with any recommendations it may desire: it shall have the power to subpœna and enforce the attendance of witnesses and the production of books and papers, to administer oaths and to punish for contempt; it may employ counsel, stenographers, experts, clerks and employees, as may be necessary for the purposes of the investigation.

The sum of $25,000 is hereby appropriated out of any money in the treasury not otherwise appropriated for the purposes of said committee.

The resolution was referred to the Judiciary Committee.

MEETING OF THE DIRECTORS ON THURSDAY.

The board of directors held a special meeting on Thursday to take action on the amendments to the charter proposed by previous joint conference of the Insurance Superintendent, officers of the society and the policyholders' committee of which John D. Crimmins is chairman.

The directors present were: C. B. Alexander, J. W. Alexander, H. M. Alexander, William Alexander, J. J. Astor, A. Belmont, C. L. Blair, C. N. Bliss, A. J. Cassatt, T. DeW. Cuyler, H. C. Deming, C. M. Depew, M. H. Dodge, T. T. Eckert, L. Fitzgerald, H. C. Frick, G. J. Gould, E. H. Harriman, J. J. Hill, J. H. Hyde, M. E. Ingalls, B. Ives, B. Johnson, T. D. Jordan, A. W. Krech, J. T. Low, J. J. McCook, W. H. McIntyre, J. F. de Navarro, J. H. Schiff, G. H. Squire, J. W. Stewart, G. E. Tarbell, A. G. Vanderbilt, G. T. Wilson, H. R. Winthrop, C. S. Smith, V. P. Snyder.

After the conclusion of the meeting the following official statement of the proceedings bearing the signatures of Chauncey M. Depew and Cornelius N. Bliss, personal representatives respectively of Messrs. Hyde and Alexander, was given out:

STATEMENT FOR THE BOARD OF DIRECTORS.

The board of directors, after full discussion, unanimously adopted the amended charter approved at the meeting with the Superintendent of Insurance, the amendment being: Strike out the fourth paragraph of Article IV, and insert therefor the following:

"The board of directors shall continue to be divided into four classes of thirteen each. For the purpose of effecting more speedily the change from a board elected entirely by stockholders to a board elected partly by stockholders and partly by policyholders, it is hereby provided that the terms of office of the directors heretofore elected for the terms ending December 31, 1905, and December 31, 1906, shall expire on the 31st of December, 1905, and the successors to such directors shall be elected on the first Wednesday in the month of December, 1905, and the terms of office of the directors heretofore elected for the terms expiring December 31, 1907, and December 31, 1908, shall expire on the 31st day of December, 1906, and the successors to such directors shall be elected on the first Wednesday in the month of December, 1906. At such elections the successors to the class of 1905 shall be elected to hold office for three years, the successors to the class of 1906 to hold office for four years, the successors to the class of 1907 to hold office for four years, and the successors to the class of 1908 to hold office for five years, thus producing four classes of directors, of thirteen each, whose terms of office will expire, respectively, in the years 1908, 1909, 1910 and 1911. In the election of each of said classes six of the vacancies shall be filled by a plurality vote of the stockholders, and seven of the vacancies shall be filled by a plurality vote of policyholders, both stockholders and policyholders voting by ballot in person or by proxy, as hereinafter provided."

A resolution was unanimously adopted that a committee of three, consisting of Messrs. Depew, Belmont and Krech, be appointed a committee of the board to consult with the Superintendent of Insurance after the amended charter shall have been approved by him, and with the policyholders' committee, of which Mr. John D. Crimmins is chairman, and to report to this board at an adjourned meeting thereof upon the following subjects, to wit:

(1) The suggestion that the two existing vacancies in the board of directors shall be filled by persons whose names shall be proposed by the policyholders' committee.

(2) The suggestion that the two directors thus elected on the nomination of the policyholders' committee shall be made members of the executive committee of this board.

(3) The suggestion that all vacancies occurring in this board before the election of 1906 shall be filled by this board with nominees of the two directors so proposed to be elected on the nomination of the policyholders' committee; this provision, however, not to apply to vacancies in the list of directors elected in 1905.

(4) The suggestion that two more members of the executive committee shall be appointed on the nomination of Mr. Cornelius N. Bliss, the committee including the four members thus provided for to remain at its present number of twelve.

(5) The suggestion that four vacancies be created in the executive committee, by resignation or by the board, on the designation of the Superintendent of Insurance in order to make way for the proposed new members.

Resolved, That a committee of seven, consisting of Messrs. Bliss, Mills, Frick, Harriman, Ives, Hill and Ingalls, be appointed charged with the duty of thoroughly investigating and reporting upon the present management of the society.

And the president was requested to call a further meeting of the board upon the request of either of these committees.

Speeches were made by James J. Hill, Melville E. Ingalls, John A. Stewart, Charles Stewart Smith, Brayton Ives, T. De Witt Cuyler and others insisting upon a cessation of the entire controversy, and of the use of the press, which is so injurious to the company. That while in the charges and the countercharges there was no question as to the solvency of the company, or its net large surplus above all liabilities, or the soundness of its investments, the controversy was creating widespread distrust and doing great injury to all life insurance companies; and that the committee of the board should and would so probe, and as a result of their investigation so recommend as to justify confidence in the company and its management.

(Signed) CHAUNCEY M. DEPEW.
CORNELIUS N. BLISS.

Another meeting of the board of directors is appointed for today, when the committee of three above named, will make a report.

MR. HYDE'S DEFENSE.

The following was also given out during the week by Mr. Hyde, and is his letter to the board of directors of February 15, following the first petitions of those officers, headed by President Alexander, who asked for the mutualization of the company and demanded the removal of Vice President Hyde:

NEW YORK, February 15, 1905.

To the Board of Directors of the Equitable Life Assurance Society:

On Friday, February 3, when but two business days intervened before the stated meeting of the board of directors of the Equitable Society at which the officers of the company for the current year were to be elected, I was called to a conference with J. W. Alexander, the president of the company. Of the subject of the conference I had no previous intimation. At this conference I was informed by Mr. Alexander that a large number of the officers of the Equitable Society, under his leadership and at his initiative, had signed a memorial addressed to the board of directors demanding that steps be taken which would result in placing the policyholders of the company in control of the corporation to the exclusion of the stock control. He also presented to me an opinion of counsel, with whom he and his associates had advised, to the effect that it was, under the facts presented to counsel, the duty of the officers of the company to bring this memorial to the consideration of the board; also a further paper, signed by a majority but not by all of the officers whose signatures had been obtained to the memorial, which

latter paper charged me with personal unfitness for the office of vice president of the society.

Mr. Alexander demanded my immediate consent that my control of the company, through the ownership of a majority of its capital stock, be at once relinquished; that I should consent that the functions of the stock should be superseded under a reorganization through which the vote of policyholders by proxy should select a management to control the affairs of the company, and that I should personally resign and withdraw absolutely from any connection with the control or management of the company, accompanying these demands by threats of exposure of improprieties on my part, in both personal and official conduct, and impressing on me that the movement against me personally had been so effectively organized as to be resistless. The movement had been conducted in secret. So far as I am able to ascertain no one of the fifty-two members of the board of directors, except the officers who had been connected with its initiation, were aware of any such movement or of any of the alleged grounds on which it was conducted. The movement had reached its final proportions before any of the other directors had been advised of its existence, and communication of knowledge of it to me was so timed as to offer me the least possible opportunity for reflection and consultation on a situation involving not merely the major part of my fortune, but my destiny and reputation.

The movement was conceived and guided by Mr. Alexander, whose power and influence with the officers of the company were exercised secretly so far as I and my associates on the board of directors were concerned, and the signatures to documents charging me with unfitness were thus induced even from officers and heads of departments with whom my functions have not brought me in contact, and who were thus persuaded to make written record of their disapproval with as little opportunity on my part to correct them as there was on their part to exercise independent judgment.

EQUITABLE STOCK INHERITED.

My father, Henry B. Hyde, was the founder of the Equitable Society and the owner of a majority of its stock. The success of the society was his life work, and it was his most cherished wish that, as his successor in the ownership of its stock, I should devote my life and energies to the future of the society.

I shall not in this statement undertake to discuss or palliate any personal indiscretions which may have given occasion for just criticism, but I have no hesitation in contrasting all of these, and others far more grievous than any with which I have been charged, with the attitude which has been taken in this matter by James W. Alexander, a man of mature years, of wide business experience and of such abilities that it is impossible he should have misconceived the solemn duties devolved on him, and accepted by him, under the instrument of trust executed by my father.

At the time of my father's death he left Mr. Alexander, General Fitzgerald and myself (together with certain other gentlemen whose functions as trustees terminated when I reached the age of twenty-five years) as trustees of the majority of the stock of the Equitable Society bequeathed to me. By the terms of the trust the trustees vote the majority of the stock of the Equitable Society thus held in trust, subject only to an effective objection on my part to any nominees to membership in the board and to a right in me to cast the proxy of the trustees for the nominees thus selected by them. In the event of the retirement of General Fitzgerald from the trust the remaining trustees were, by the deed, authorized to select his successor, and, General Fitzgerald having retired, this power was exercised in the selection of Mr. McIntyre.

My father's confidence in Mr. Alexander's loyal devotion to his trust and his zealous fidelity in carrying out its purposes was so great that he designated H. M. Alexander, son of J. W. Alexander, as the natural successor of the latter in the performance of these duties. J. W. Alexander has no office in the Equitable Society which he does not hold primarily through the trust and confidence of my father, and, after my father's death, the trust deed executed by him. Mr. Alexander is a director of the Equitable Society and president of that society solely by the vote of the stock confided to his keeping by my father and by virtue of the trust and confidence which I have reposed in him and which was almost an inheritance from my father.

By this trust deed Mr. Alexander was not only charged with the obligation thus to care for my patrimony, but he was most solemnly abjured in that deed (and he accepted the duty thus imposed) to exercise all possible influence with me, when I should attain the age of thirty years, to induce me to renew and extend the trust, thus continuing as far as might be legally possible the control and administration of the Equitable Society initiated by my father.

TRUST DEED REQUIREMENTS.

I quote the following from the trust deed:

"And this indenture further witnesses that the parties hereto do hereby agree to carry out the terms of the said trust as hereinbefore set forth, and to perform the duties and obligations imposed upon them hereby, and the said parties of the second part do further agree that, in case the said James Hazen Hyde shall survive the party hereto of the first part, the parties of the second part and their successors will use all reasonable efforts to induce the said James Hazen Hyde upon his attaining the age of thirty years, and upon the termination of this trust, to make a new settlement of the stock and property hereinbefore described, and in such manner that the same may continue so long as lawfully may be, to be held and controlled by suitable trustees and to be preserved for the benefit of the children of the said James Hazen Hyde after his death."

On June 6, 1906, I will have attained (should I live) the age of thirty years, and will then, subject to my duty to my father's expressed wish, have come into possession of my stock. Thus, shortly before the expiration of that period, Mr. Alexander, owing his existence as a director and officer of the Equitable Society to his trust and to the stock confided to his care, has engaged in a secret cabal with officers under his control, and in many cases subject to his coercion, to destroy the value of the subject of his trust and to destroy the reputation and future of the beneficiary.

The Equitable Society is in the hands of a board of fifty-two directors in whose selection Mr. Alexander has had an influential voice and in the selection of which he has never in a single instance been antagonized by me. It is substantially the board of directors selected by my father, continuing without controversy—the vacancies from time to time being filled by those who were in logical succession for the office. I am entitled to receive my portion of the credit for having maintained in office these fifty-two gentlemen under whose administration the affairs of the society have singularly prospered. Under the by-laws of the company the board of directors have absolute power in the management of the concerns of the society and the president has unusually wide and controlling powers in the supervision of its business. I cannot be justly charged by Mr. Alexander with the usurpation of any of his functions. I have usurped no such functions and I could not have done so without incompetency on his part.

RELUCTANT TO CHANGE POLICY.

No man could be more reluctant than I to change the character of the board of directors of the Equitable Society, or to impair the proved efficiency of its management. It cannot be pretended that to deprive the stock of the Equitable Society of its legal control would result in the selection of a better board of directors or in the creation of a more efficient management. There has been no general claim or demand on the part of policyholders in the line of the present movement. There can be no long continued disguise of the true purpose of the present movement. Its purpose is to transfer the selection of the directors of the Equitable Society, and its management, to a coterie of men whose more immediate contact with the policyholders would place them in a favored position to obtain the proxies of the latter, and Mr. Alexander's gross breach of trust to my father and to me, with which I here solemnly charge him, has none but the most specious pretext of high motive.

I shall not discuss any personal shortcomings of my own. That such have been charged is a sufficient reason to me for desiring to make the most absolute commitment, for an extended period, of the affairs of the Equitable Society to its present high management.

I had communicated my purpose to do this at Tuesday's meeting of the sub-committee of the board appointed to consider the memorial above referred to, and it was after this expression of purpose upon my part and while my formal communication to the board to effect this purpose was in preparation that those whose efforts it appears to be to forestall a dignified settlement of this unfortunate situation have filled the public press with scandal. I prefer to believe that this scandal has emanated largely from the enemies of the Equitable Society outside of its organization, but its publication has constrained me to make this statement, to which I append the text of my communication to the board above referred to.

I propose that the stock in which I am interested be trans-

ferred to trustees to be voted for five years in accordance with the directions of the board of directors.

In the meantime the board can consider the question of transfer of voting control to the policyholders and the methods of conserving the stability and safety of the company in case of such change.

If the board, upon such consideration, determines to retire the stock, I shall cheerfully co-operate in the change in any way which has due regard to the rights and equities of both stockholders and policyholders. JAMES H. HYDE.

MR. HYDE DEFINES HIS POSITION TO A POLICYHOLDER.

The Charleston *News and Courier* prints a letter to Mr. T. Moultrie Mordecai, of that city, a policyholder of the Equitable Life, written by Mr. Hyde, under date of March 24, in reply to inquiries by Mr. Mordecai, which is as follows:

DEAR SIR—Your kind letter of the 20th instant is received. Nothing which has happened need cause the policyholders any apprehension. It has not affected the financial condition of the society, and ought not to affect its further progress.

As you know, the controversy has been merely over the method of electing directors. I believe it to be universally conceded that our board of directors is as representative and competent a board as could be elected. It may perhaps be that if the voting power should be lodged exclusively in the policyholders, they might elect as good a board as the present board and its predecessors have been, but they certainly could not elect any better one. From the policyholders' point of view, the desire for a change in the method of electing directors seems to me purely sentimental. It is not reasonable to suppose that a body of over 500,000 policyholders scattered all over the world, if they voted independently, could agree on any suitable board of directors. If they do not vote independently, but according to the method which is pursued in other mutual companies, they put themselves in the hands of a very few men of whom they know nothing except by repute, while the responsibility is scattered among the policyholders themselves.

I have always been brought up to believe in the centralization of responsibility. I am in receipt of many communications from policyholders in this company, who express the desire that centralization of responsibility should be continued in this company, they regarding this as an important safeguard.

However, it is obvious that any such inspired uneasiness as has grown up among some of the policyholders in this company would be detrimental to its interests if permitted to continue.

I have always thought that it would add to the feeling of security of the policyholders if they were allowed to elect a certain proportion of the directors of the company, not that the affairs of the company would be any better managed by directors so chosen, but that policyholders would feel that their direct representatives in the board would keep themselves informed of what was going on, and be in a position to protect their fellow policyholders if they found anything in the management to criticise. As our board has no other purpose than to conserve the welfare of the company, they thought it well to respect the expressed wish of various policyholders and to advocate a change in the charter, which should give the policyholders a specified representation on the board.

Therefore, I felt that so long as the stock retained the right to elect a substantial fraction of the board of directors, thus taking the direct responsibility with regard to this fraction of the board, it could do no harm and it might do good to acquiesce in the above views of the board. For these reasons I did so acquiesce, so far as my stock holdings were concerned.

I hope and believe that the change provided for will prove to be satisfactory and beneficial to all concerned. I was advised by some of the most eminent lawyers in the country that neither the board of directors, nor the Legislature, could deprive me of my vested rights in the stock without my consent, so that from my point of view my consent to this change was of a personal concession made by me out of my vested property rights, because I believed that it was for the best interests of the society that I should make it. If it is accepted by the policyholders in the spirit in which it is made, and shall have the effect of terminating the widespread discussion of the company's affairs, which, as it has been conducted, might soon prove to be injurious to the society, I shall be very much gratified.

Thanking you for your interest in the matter, and with kind regards, Yours sincerely, JAMES H. HYDE.

T. Moultrie Mordecai, Esq., 43-47 Broad street, Charleston, S. C.

Mr. Hamer on Life Insurance Investments.

The following is the address to the students of the Wharton School of Finance of the University of Pennsylvania by J. W. Hamer, manager of the loan department of the Penn Mutual Life insurance company, delivered March 21:

Having upon a previous occasion talked before the Wharton School, I thank you for the compliment of this second invitation. In response to my request for an intimation respecting the subjects to be covered, I have been asked to speak to you of—

First—How life companies differ from other investors, such as individuals, trust companies or banks.

Second—Requirements of the statutes of the different States.

Third—Investments regarded as most suitable for life insurance companies.

Fourth—Management of investments, by whom placed and the precautions taken.

Fifth—The extent of life insurance investments.

In politely extending this invitation, Professor Huebner said to me that these were to be considered merely as suggestions, and was kind enough to give me liberty to speak upon any other topic relating to this general subject. I think, however, that his suggestions should be somewhat strictly followed, as I feel sure it will take all the time available to even skim over the surface of the various subjects he has outlined. The first is "How Life Companies Differ From Other Investors, Such as Individuals, Banks or Trust Companies." The individual investor, unless acting as trustee, is under no restriction, and is governed merely by the dictates of his own sweet will. For our purpose today, therefore, we need not discuss the individual investor. In my previous talk before this school, an effort was made to show how one corporation differed from another in its selection of securities. I shall, therefore, need to repeat some of the main features of that previous talk. As to

BANKS.

Aside from the detail of circulation, with which everyone is more or less familiar, a national bank devotes its attention chiefly to the reception of deposits from business firms and others, and the lending of money to them. It is also a buyer of commercial paper.

The bank which credits your account with cash deposited at 3 o'clock today must, if required, prepare to meet your check tomorrow. It must, therefore, keep in actual money a sufficient proportion of its resources to supply these daily needs. Furthermore, as deposits are drawn upon in times of monetary pressure, a large part of its assets must be of that kind which can be quickly converted into cash, such, for instance, as Government, State, municipal and standard railroad bonds. Concerning

TRUST COMPANIES.

The trust company acts as trustee, executor, administrator, guardian, attorney, etc.; its much advertised advantages over an individual in these capacities being that the trust company does not die, presumably has no bad habits and is customarily more responsible than is the individual.

Trust companies also take money on deposit. They do not issue bank notes, and, generally speaking, are not dealers in commercial paper, their loans being almost always protected by pledge of collateral security. Some of them, for instance those of Massachusetts, like the savings fund societies, are restricted as to the investments they may purchase. This is not the case in Pennsylvania. Many of their trusts are distributable in kind; others become payable at fixed dates in the distant future, thus affording ample time to prepare for settlement. Trust companies consequently become buyers of real estate mortgages, municipal and corporation bonds, bearing a fair rate of interest, and which, while good, do not, for their purpose, need to be instantly marketable. With respect to

LIFE INSURANCE COMPANIES.

Most progressive companies issue insurance contracts promising loans, or cash surrender values upon demand of the insured. To fortify themselves against this feature of the business—against these obligations maturing on demand—the companies which issue them carry a safe proportion of their fund in collateral loans and other investments which are readily exchangeable for cash.

Aside from these demand obligations, the chief life insurance liability is for the payment of maturing endowments and of death losses. Of the maturity of an endowment policy, the company

has from ten to twenty or more years' notice. Death losses, on the average, occur so closely in accordance with the yearly estimates, so safely within what are technically known as the "Tables of Mortality," that life insurance investments do not need to be so quickly salable for cash, as is the case with those of most financial institutions. Life insurance companies are not closely restricted in the territory to which they must confine investments. They may purchase almost anything which could be lawfully owned by a bank, a trust company or a savings society, except that they do not buy commercial paper, lend upon personal credit or advance money without collateral security. For this reason, you never find the name of a life insurance company upon a list of unsecured creditors.

The banker must keep within easy reach a fair amount of money for emergencies. Throwing out the cash surrender and policy loan items, the life insurance official, on the contrary, has no emergencies to meet. The daily claims against him are so accurately foretold that he has no need for a large cash balance, but rather makes it his duty to keep this item at the lowest point consistent with convenience; thus idle and unproductive balances are usually avoided. We will now consider, if you please, the second specification:

REQUIREMENTS OF THE STATUTES OF THE DIFFERENT STATES.

Most of the larger companies—those companies which have stood the test of time, and which have asset accumulations of importance—were established long before life insurance had become generally understood. Their charters were framed before knowledge was acquired respecting many features of the business later found essential, and were in some instances so framed as inconveniently to limit the company's selection of investments. In many cases where they have been found cumbersome, these old charters have been amended to conform to modern needs, and the companies have thereby gained larger liberty of investment purchase.

Generally speaking, it may be said, as already intimated, that there is no important statutory restriction upon the subject of purchasing securities. The various companies, however, transact the business of life insurance in almost all the States, and the States in turn have departments of insurance, for the most part under trained insurance men, authorized to revoke the license in that State of any company not able to respond to the strictest test of solvency. There is a large discretion vested in each State insurance commissioner as to what asset shall and what shall not be accepted at its face. This undefined and to some extent uncertain standard of personal judgment—this vague, unmeasured, discretionary power of rejection—perhaps more than any statutory requirement could do, causes the life insurance management to be extremely critical as to what form of security shall and what shall not appear upon its list.

There is now much talk of Federal instead of State supervision over life insurance. The United States Supreme Court decisions so far have not been broad enough to include life insurance within the legal definition of what it known as "interstate commerce." Until this court assigns a wider meaning to that term the proposed Federal supervision is not likely to occur. My authority for this opinion is a gentleman whose name is known to every student of this university. I refer to Mr. George Wharton Pepper.

We now come to the third and fourth clauses of Professor Huebner's inquiry:

INVESTMENTS REGARDED AS MOST SUITABLE FOR LIFE INSURANCE COMPANIES

and management of investments, by whom placed and the precautions taken. The executive staff of a large life company is usually composed of men whose energy is not expended upon the lesser details of corporate management. It seems to be their aim, however, to have each department conducted by someone who is a specialist in that particular line. This specialist in turn must have trained and efficient men under him, not only to assist, but to act as "understudies"—so to speak—men who are qualified to assume any responsibility which may devolve upon them, so that the absence or inability of any one man shall not stop the wheels of business. The financial man, for instance, is not expected to have specific knowledge of the agency, the mathematical or the medical department, each of which is conducted by someone who has, perhaps, devoted his life to the study of his own particular specialty.

With respect to the "management" of investments, if they have been well and fortunately selected they will need no further management beyond safe keeping and collection of the interest. I will, therefore, understand the term "management" to refer to selection and purchase.

In addition to real estate mortgages, which are among the most important, and will be treated later, "investments regarded as most suitable for life insurance companies" appear to stand as to safety in about the following order, namely: (1) Government, State and municipal bonds; (2) standard railroad bonds; (3) equipment or car trust bonds; (4) bonds of electric railways of developed earning capacity; (5) bonds upon public utility enterprises; (6) bonds of industrial corporations, and (7) stocks of corporations. Real estate will be considered later on.

There are objections to each class, and it is the duty of the officer who buys to be so familiar with each objection that it may be given full weight during consideration of a purchase.

The first four named—Government and State bonds and municipal and standard railroad bonds of highest grade—produce an interest return so low that the margin, if any, is quite small over the interest required upon the company's reserve. This is the objection to investments of the highest quality, yet all good companies buy them, in order to supply a large proportion of what are known as "quick assets"—assets which can be converted into cash with least delay and with least danger of loss through serious depreciation.

EQUIPMENT OR CAR TRUST BONDS.

Rent for the use of rolling stock is now considered one of the first charges upon the earnings of a railway company. Equipment bonds, therefore, issued by strong railway corporations and secured by trust deed upon rolling stock, are at present a favored form of investment, but are open to the objection that they do not furnish a sufficiently permanent occupation for the fund. Equipment or car trust bonds are issued by the railway companies, for from 70 to 90 per cent. of the equipment's cost, and provide for annual payments of 10 per cent. or more, in reduction of the principal debt, which payments will retire the equipment bonds in from one to ten years, and class them as temporary investments.

It is made the duty of the trustee, through which these car trust bonds are issued, to see that the cars are kept in good repair, that new ones are purchased, marked and numbered, in place of those destroyed by fire or accident, and that an ample amount of fire insurance is always kept in force. The vital point, to insure the safety of an investment in car trust bonds, is the trustee's rigid enforcement of these conditions. Banking houses which are most successful in creating a market for car trust bonds are, or should be, those which are most noted for the care which they require to be taken by the trustee in the carrying out of the letter and the spirit of the contract.

As you know, there is now pending a political agitation upon the subject of railroad rebates in return for the use of private freight cars owned by large shippers. This inclines investors to disapprove car trusts not issued by the railway companies themselves.

BONDS OF ELECTRIC RAILWAYS.

Bonds upon non-competitive street railways located in densely populated and rapidly growing cities are looked upon with favor, provided the net earnings are satisfactory and the railway company's franchise is not defective.

Bonds upon suburban and interurban electric railways are rarely purchased by the life companies until the properties have been constructed a sufficient length of time to demonstrate an earning capacity ample to pay operating expenses, interest and a considerable surplus, the objectionable feature in connection with this form of security being that the depreciation of the plant of an electric railway is thought—by some persons well informed—to represent a sum of money almost equal to the average interest upon its debt. If this be true, it is obvious that the electric railway company's bond should rest upon a property producing net earnings of approximately double the interest charge.

BONDS UPON PUBLIC UTILITY ENTERPRISES,

such as gas, water, electric light and power companies, are not specially attractive to the life insurance company. They depend so much upon legislative franchise, and are so open to attack through this channel, and through misunderstandings with municipalities involved, that life insurance managers look upon them with favor only after the most exhaustive investigation.

For instance, it may be said of water works plants that though water is an absolute necessity, and the plants furnishing it have therefore been thought sound as a basis for investment, yet water plants—erected and operated as private enterprises—have been a

most fruitful source of litigation, and of resulting loss to bondholders.

BONDS OF INDUSTRIAL CORPORATIONS

are rarely purchased by the most conservative companies. They are so dependent upon that personal feature which stands for good management and so affected by industrial depressions that, with few exceptions, they are disapproved.

STOCKS OF CORPORATIONS.

The advertising pages of the current magazines reveal an emphatic statement by one well known company that is now the owner of no corporation stocks of any description. From this we may safely conclude that, for the present, stocks are not being largely purchased by the conservative life insurance companies, though some of the companies have greatly profited by the rise in value of their stocks in banks and trust companies.

REAL ESTATE.

Real estate is hardly considered an investment by the life insurance company, except as incidental to the property's other uses.

Many companies own office buildings in different parts of the country. In addition to furnishing space for the conduct of the business, some of these buildings produce an adequate net interest return—many of them do not—but they all serve the original advertising purpose of keeping the company before the public eye.

Real estate, other than these office buildings thus voluntarily acquired, usually consists of those properties purchased, perforce, under foreclosure of real estate mortgages, and reflects good or bad management, as the case may be, in the company's mortgage department, ownership of a very small percentage of foreclosed real estate being considered an evidence of good management.

The line of security which, as yet, I have scarcely mentioned is one of the most important of all.

FIRST MORTGAGES UPON REAL ESTATE SECURITY.

It is this portion of the investment business which, well managed, will produce the largest interest return commensurate with safety; which, properly conducted, imposed upon the investor the smallest ratio of loss, but which, nevertheless, requires for success the closest attention to a great multitude of details.

In the purchase of real estate mortgages the company avoids those which rest upon speculative ventures, or even upon good property if it be of a kind which depends too much upon personal management; and if an exception be made in favor of such a property, it is generally because there is offered an unusually large margin of value as an offset to this risk.

In large cities where real estate is quickly salable and values are well established, the investors lend as high as 60 to 80 per cent. of the property's value. Here undue competition among investors reduces rates—makes the interest return too low—and increases loss by reason of a diminished margin, i. e., in the large cities, where money is most plentiful and most urgently seeking investment, it sometimes very improperly becomes a question as to which investor shall lend upon a given property, at the lowest rate, the largest sum of money. Most of the life companies wisely avoid this dangerous form of competition. It may be here remarked, however, that the money lenders appear to be almost the only capitalists who have not yet developed the good sense to consult or combine for the sake of safety and a satisfactory interest return.

Outside of large cities, governed by the special circumstances of each particular case, the mortgage will represent from 35 to 60 per cent. of the property's supposed market value.

The personal element should enter largely into consideration of a mortgage or any other loan. The investor naturally prefers to lend to the successful man, because the successful man is able to repay the debt. Perhaps this feature may be best expressed by giving a financial man's jocular answer to a friend applying for a loan upon collateral security. He said to his friend: "If you really must have this money, I will not lend it; but if you can thoroughly convince me that you do not need it, I will let you have it with great pleasure."

Life insurance corporations, as a rule, carry in real estate mortgages—first mortgages—from 20 to 50 per cent. of their entire assets—few of the important companies own less than 20 per cent., and a few—Western companies chiefly—carry more than 50 per cent., the aggregate real estate mortgages on January 1, 1904, being $573,262,009, about 27 per cent. of the total assets.

The well managed life insurance corporation, investing largely in mortgages, keeps in its employ, in addition to an office force, a sufficient number of men of the highest order of ability, whose duty it is to examine and pass upon the merits of properties offered as security for mortgage; to frequently inspect properties covered by mortgages already owned; to report promptly any change of values due to a change of business centres, or to neglect of improvements and repairs or to other causes. A competent office, force is needed for the prompt collection of interest; to watch carefully that sound fire insurance is furnished and renewed before the date of expiration; to ascertain that the property has not been sold for non-payment of taxes, but, on the contrary, that taxes and assessments for paving and other improvements are promptly paid on or before the final date fixed by statute. This requires some knowledge of the varying tax laws of many different States.

In short, while the taking of real estate mortgages entails a great degree of caution, a large amount of labor and an office force of high efficiency, yet the very fact that the small investor cannot afford the expense of these numerous precautions makes it possible for the life insurance corporation to collect an acceptable interest return through holding a large proportion of its assets in safe mortgages upon real estate security, and, at the same time, to avoid those annoying fluctuations in market value which are inseparable from investments placed in other channels. The fact that mortgages are not "quick assets" is the chief reason for not carrying a much larger proportion in this description of security.

"PRECAUTIONS TAKEN" IN PURCHASE OF SECURITIES.

One of the most important is to buy from long established firms of highest standing—men who have the ability, the means and the facilities to ascertain the facts, and the candor and integrity to report them. Aside from this, during years of experience and observation, the studious financial man endeavors gradually to absorb a general knowledge of the affairs of borrowing corporations, and especially a familiarity with the surest way to find the facts.

With most railroad and corporation bonds the cost or value of the property as compared with its bonded debt is one of the most essential points and one of the most difficult to ascertain. Hardly second to this are the items of gross earnings and of expenses of management and operation and consequent net earnings applicable to interest payments. Perhaps one of the most suspicious items is an abnormally small expense ratio, while the construction account remains still open and during the time that bonds are being offered on the market. What is industriously searched for and rarely found, at a fair price, is a bond representing but a small proportion of the cost of a property which, though admitting an ample expense account, is still able to produce earnings sufficient to pay expenses, interest and a large surplus for the stock.

Time does not permit a recital of all the "precautions taken" to see to the legalities with respect to investments purchased. Perhaps it may suffice to say that there is employed a force of trained lawyers whose duty it is to assume in each case the labor and responsibility of a thorough investigation, in order to prove each mortgage to be a first incumbrance upon a good and marketable title, and each bond a valid, binding and lawfully issued obligation. This is the conclusion which must be reached in every case before paying out the money. We now come to the fifth specification.

THE EXTENT OF LIFE INSURANCE INVESTMENTS.

I am indebted for my insurance facts to the "Compendium of Official Life Insurance Reports" for the two years ending January 1, 1904. This was the publication at hand, and later data would have only changed the figures without altering their relative importance. To bring these figures up to date would add about 10 per cent. to the totals I shall use.

There are ninety-two companies mentioned—of various grades—seventy-nine of them having admitted assets of $2,055,555,548 (in speaking, I will disregard odd figures as confusing), admitted assets then of $2,000,000,000; assets not admitted, $7,110,701.

At this point it may be well to say that the $2,000,000,000 of assets are invested in approximately the following proportions: Bonds, 40 per cent.; mortgages, 27 per cent.; real estate, 8 per cent.; stocks, 7¼ per cent.; premium notes, etc., 7 per cent.; cash, 4¾ per cent.; collateral loans, 3 per cent.; other investments, 3 per cent.; total, 100 per cent.

This is the division of the total. The individual companies hold different proportions.

It is stated that American farm products reached, in 1904, the huge total of $4,900,000,000, nearly $5,000,000,000. These farm products are the output of a territory extending from the Atlantic

to the Pacific—the result of the labor of millions of men. The life insurance accumulations aggregate more than 40 per cent. of this vast total. Here we find a striking illustration of the greatness of this fund.

In order that we may form some conception of this great sum of $2,000,000,000 of admitted assets, let me say that, equally divided, it would represent over $25 for each man, woman and child in this country; it is nearly three times the combined capital of the 5,134 national banks; it is two-thirds of the total of savings bank deposits; it greatly exceeds the amount of our national debt; it is nearly double the value of the year's product of all minerals in this country; it is nearly 50 per cent. in excess of the gross receipts of all the railroads; it is more than the entire world's production of gold for the last six years.

It will show the relative importance of the companies if attention is directed to the fact that 99 per cent. of this great fund is controlled by thirty-one companies, and 1 per cent. only by the other sixty companies.

As permanence and solvency are the essentials of success in life insurance, this concentration ought not to be hastily condemned as altogether undesirable. The possession of 99 per cent. of the insurance wealth should surely furnish means to attract the higher grade of talent to the companies thus strongly fortified.

The detailed information regarding their affairs, furnished by the life insurance corporations, and the publicity given this detailed information, are greater than any other industry affords. The supervision over this industry, exercised by the various State insurance departments is—as it should be—more rigid than that exercised over any financial, commercial or transportation interest. This publicity, this rigid supervision, this veto power over the action of the management, ought to be a sufficient protection to the public against any now existing evils of this concentration, and yet the control of $1,235,000,000—60 per cent.—of this fund by four companies is placing upon a very few men a grave responsibility and presenting to them a serious problem for the future.

To firmly fix in mind the distribution of this insurance wealth, let me recapitulate. The total on January 1, 1904, was in round numbers $2,055,000,000—60 per cent. held by the four large companies, 39 per cent. by twenty-seven companies of more moderate size, and only 1 per cent. by the remaining sixty small concerns.

To attempt to express sentiment in terms of money seems questionable taste, but these enormous assets appear to lose their mercenary character when we reflect that they are gathered together to perpetuate the American home; that they are a product of the thrift, the energy, the self denial of the American breadwinner; that they stand in token of his sturdy, sterling character while living, and become an almost sacred tribute to his memory after he has gone.

As some of you young men will doubtless soon become our lawmakers, I shall venture for a moment, under Professor Huebner's kindly permit, to wander to the subject of

TAXATION.

This vast accumulation has been found wonderfully attractive to the tax gatherer. Those of us who are connected with purely mutual companies—companies which have no capital stock and which are not organized for profit—are at a loss to understand why these mutual companies should be so largely taxed.

The mutual company is composed of individuals, each of whom, in connection with other interests, may be presumed to pay his full share of national, State, municipal and other taxes.

I do not say there is, but there may be, some reasonable defense of a moderate tax upon the small speculative portion of a tontine policy's accumulations, but there is none for taxing the great bulk of a mutual company's assets, held for the protection of its insurance contracts.

Under an intelligent system of taxation, the tax is placed upon the profit: you do not tax a loss. In the purely mutual company, there's no such word as profit; the company performs its function with no such object; insurance is furnished at its actual cost.

The theory which underlies the formation of a purely mutual life insurance company is that it is simply a means for the equal distribution of an inevitable loss. Let us suppose a combination of ten, 100 or 100,000 men—the number has no significance except to produce an average—let us suppose each of these men agrees to pay a certain sum for the relief of the families of those who die—to restore to each family that of which it has been deprived, the insurable value of its departed head. Elaborate it, complicate it with varied forms of policies, safeguard it with actuarial tables as you will, and still the basic fact remains, beyond dispute, that each member of a mutual company, by payment of his premium, merely contributes that sum which represents his share of loss. Taxation of this is so much added to the loss, or so much subtracted from the insurance benefit. It is difficult to understand the justice, the wisdom or even the expediency of putting a tax upon a loss and thus adding to its burden.

Whatever the original intent, the ultimate result of the formation of a mutual company is to prevent the families of its members from becoming a charge upon the public. Every dollar of tax upon a mutual company, therefore, antagonizes public welfare, in so far as it tends toward the defeat of this beneficent result.

Vice President Tarbell's April Message to the Equitable Agents—The New Business of March the Greatest for That Month in the Society's Record.

NEW YORK, April 1.—GENTLEMEN: Time and again it has been my very pleasant duty to acknowledge some substantial token of loyalty and devotion offered to me on behalf of the agency force of the Equitable Life Assurance Society, but never has that duty been a greater pleasure, never has your tribute been more fitting or timely, never has the sentiment which prompted your generous action been more deeply touching than in this your latest expression of a loyalty that was never doubted, of a devotion that has never wavered.

In accomplishing the magnificent volume of business which by herculean efforts you have rolled up during the past month, which you dedicated as "Tarbell Month," making it the greatest March record in the whole forty-five years' history of the society, you have not only honored me but you have honored the great institution of which we are each a part, and you have honored yourselves.

When in my letter of March 1 we called upon you for the greatest March record ever made by the representatives of the society, we well knew that under existing circumstances we were imposing a task that would stagger any other company's representatives. But we had no fear of the final result. We knew the mighty deeds you had done in the past. We knew you had never faltered or failed when called upon. We knew we could trust "the men behind the guns," and the magnificent result has fully justified our belief.

But while you place the honor upon me, the glory is all yours. You have accomplished a feat that everyone is proud of, you have added fresh laurels to your honored profession, you have set a high water mark in the society's agency records, you have more firmly established your claim to rank as the foremost agency force in the world. You have done all that was expected of you, and more, you have compelled us to write in large letters that the record of new business in March, 1905, is the greatest record ever made in the same month in the history of the society, and that during that month, solely through your efforts, the society has written policies on over 1,000 more lives than during any other month in any year of its entire history.

We can add no lustre to the past. The future claims our attention and our best energies. If we would keep that glorious March record a shining mark, we must not allow it to be dimmed by a sudden falling off in our work this month.

In our profession one of the greatest enemies is that reaction which invariably follows a season of working under pressure. Many a man who by concentrated effort does a magnificent business in a few days or a few weeks, and then gives way to the temptation to "take it easy" for a while, finds that it takes weeks, even months sometimes, to get himself back into the condition where he can go out and make the same impression and secure applications as he did formerly.

A friend of mine was showing me a new automobile which he bought a few days ago. The machine was standing on the street, no one was in it, but the engine was running. I knew my friend was not going to use the machine for some time, and asked him why the engine was running. "Well," he said, "in starting, you have to turn that crank shaft, and with a high power machine it is very severe exercise. If you can just strike it right you may start your engine on the second or third turn, but if you don't you might turn for a long time before getting started. I find it easier after a run to keep the engine going than to stop outright and have all the trouble of starting up again."

The agency force of the Equitable has been running at high speed during the first three months of this year. Each month the speed has been growing more rapid, till at the end of March every man is at his best. We don't want a single man to come to a dead stop and to have all the trouble of starting over again. We want every man to "keep the engine going." We want every man pos-

(*Continued on page 357.*)

Life Insurance Business in Michigan in 1904.

(Compiled from the Preliminary Report of the Insurance Commissioner.)

COMPANIES.	Policies Issued.		Policies in Force Dec. 31, 1904.		Premiums Received.	Losses Paid.
	No.	Amount.	No.	Amount.		
Cos. of Michigan.						
Imperial	.....	.....	2	$400	.....	.....
Michigan Mutual	1,014	$1,405,713	5,421	9,167,178	$327,994	$103,008
Totals	1,014	$1,405,713	5,423	$9,167,578	$327,994	$103,008
Cos. of Oth. States.						
Ætna	551	$795 872	3,407	$5,134,965	$209,417	$86,896
American Cen., Ind.	86	151,699	84	146,408	3,522	2,791
Berkshire	149	435,400	1,364	3,244,850	99,154	16,839
Canada Life	453	686.790	1,944	4,496,279	161,452	26,212
Central, Des Moines	101	73,150	111	83,600	6,635	.....
Columbi n Natl	1	10.000	1	10,000	423	.....
Connecticut Mut	85	150,209	1,449	2,845,237	76,839	101,096
Des Moines Life	66	101,000	48	69,000	5,338	2,000
Equitable, N. Y	1,276	2,511,076	7,281	16,368,859	567,372	103,654
Equitable, Ia	144	184,700	540	675,846	26,420	8,254
Federal, Chicago	517	786,345	548	854,545	15,268	2,000
Fidelity Mut., Pa	340	597 298	1,368	2,405,133	82,141	7,135
Franklin, Ill	201	252,734	345	411,555	16,234	1,020
Germania	63	70 875	623	949,712	48,799	12,090
Hartford Life	234	439,777	382	716.564	22,536	11,500
Home, N. Y	819	1,263,133	3,845	6,807,803	254,386	108,631
Illinois Life	803	945.779	1,124	1,470,607	49.481	2,000
Inter State Life	62	299,375	60	284,375	14,145	.....
John Hancock	353	476,720	1,408	2,244,320	80,441	30,000
Manhattan	62	152,300	505	865 804	27,632	15 225
Manufactur rs, Ont.	206	295,250	276	384,000	14,836	.....
Massachusetts Mut.	2,188	2,960,709	9,426	15.044,903	519,083	61,003
Metropolitan	4,049	2,582,214	8,048	5,473,124	*784,402	51,528
Missouri State	232	313,500	233	286,400	13,951	1,000
Mutual Life, N. Y.	1,626	2,682,485	10,563	21,387,248	766,700	310,214
Mutual, Illinois	24	45,550	82	136.675	5,146	2.000
Mutual Benefit	1,451	2,293,141	5,459	11,668,285	445,914	185,740
Mutual Reserve	16	31,000	419	791,880	30,923	29,364
National, Vt	561	830,963	2,365	4,251,994	174.015	33,726
National U. S A	175	224,912	1,694	1,156,452	90 116	1,808
New England Mut.	285	685 420	1,709	3,460,163	120,897	37,251
New York Life	5,452	7,704,615	19,392	31,506,688	1,196,996	313,785
N. American, Can.	411	651,525	702	993,215	34,704	2.000
Northwestern Mut.	2,579	4,759,181	16,006	30,528.644	1,271,039	337.580
Pacific Mutual	106	190,542	485	755,837	26,439	.....
Penn Mutual	431	561,671	3.051	5,279,906	230,168	62,281
Phœnix Mutual	289	430,376	2,458	3,690,482	157,579	61,372
Pittsburgh L. & T.	8	1.800	94	49.700	2,154	550
Provident L. and T.	269	395.498	1,130	2,058,982	84,831	21 006
Provident Savings.	263	621,146	658	1,697,296	50,137	46,000
Prudential	2,344	2,246,816	5,454	5,918,890	239,628	26,096
Reliance	19	32,500	19	32,500	1,092	.....
Royal Union	170	279,995	274	448,993	18,094	.....
Security Mutual	314	537,809	466	748,581	23,020	15,426
Security T. and L.	215	328,444	299	461,627	24,360	3,750
State Life, Indiana	423	625,020	724	1,502,766	57,108	7.000
State Mutual, Mass.	330	614,715	2,004	3,998,151	126,556	49,307
Sun, Montreal	2,705	1,878,135	5,429	4.039,333	146,812	26,790
Travelers	258	521.783	1,848	5.008,200	147,184	54,892
Union Central	500	700,800	2,217	3,096,452	93,654	10,615
Union Mutual	172	208,964	1,272	1,584,418	51,153	2 ,296
United States	28	51,550	244	509,755	16,298	8,500
Washington	132	249,007	1,194	1,739,891	70,239	25 466
Totals	34,597	$46,931,275	132,121	$220,776.892	$8,802,924	$2 347,698
Grand Totals, 1904	35,611	$48,336,988	137,544	$229,944,471	$9,130,917	$2,450,706
" 1903	34,160	46,204,013	124,257	211,087,286	8,373,005	2,606,510
" 1902	30,231	43,702,155	111,613	198,638,884	7.673,438	2,329,247
" 1901	24,332	37,115,133	95,054	175,672,423	6,706,351	2,452,510
" 1900	19,613	29,043,450	83,213	158,174,154	5,594,511	2,197,741
" 1899	17,341	26,035,542	74,764	146,055,516	5,223,574	2,098.104
" 1898	14,454	23,497,880	66,042	134,019,721	4,626,530	1,710.059
" 1897	11,926	20 637,021	59,741	125,918,326	4,482,302	1,820,599
" 1896	9,178	18,517,030	54,927	120.983,000	4,044,720	1,504,182
" 1895	8,368	18,775,950	52,871	119,717,377	4,356,715	1,628,858
" 1894	9,334	20,747 445	50,050	115,950 858	4,296,071	1,146,368
" 1893	10,431	22,925,500	49,185	112,568,528	4,033,723	1,249,993
" 1892	10,281	24,070,070	47,726	109,674,344	3,789,817	1,498.614
" 1891	8,763	21,809,978	42 883	107,990,541	3,715,810	1,046,431
" 1890	7,790	19,885,268	45,119	102,171,654	3,349,978	988,926
" 1889	6,822	19,693,400	37 754	84,185,682	2,851,235	778,740
" 1888	6.661	14,366,236	35,710	75,498,910	2,458.140	8 5,199
" 1887	5,920	12,566,690	33,122	69,254,562	2,2 0,042	778,717
" 1886	5,982	11,867,550	.....	65,634,641	2,038,691	662,268
" 1885	4,219	9,294,458	.....	58,000,194	1,778,240	887,488
" 1884	4,325	9,031,411	.....	54,70 ,017	1,787 763	809,365
" 1883	4,481	10,641,232	.....	62,803,826	1,651,013	641,108
" 1882	4,478	8,983.793	.....	47,778,668	1,462,649	703,871
" 1881	3,543	7 725,618	.....	42,782,277	1,218,531	638,826
" 1880	2,901	5,597,714	.....	39,441,212	1,052.763	448,836
" 1879	2,657	4,208 078	.....	38,650,797	1,008,965	520,147
INDUSTRIAL INSURANCE BUSINESS IN 1904.						
John Hancock	4,621	$ 57,842	10,447	$1,685,858	$50,330	$11,769
Metropolitan	42,595	6,493,804	134,429	17,656,655	.....	123,669
Prudent al	30,311	3,804,426	64,560	7,502,772	286,177	67,967
Totals	77,527	$11.056,072	209,436	$26,845,285	$336.508	$203,405

Assessment associations and fraternal orders wrote in Michigan in 1904 64.211 life insurance certificates, insuring $57.988,675.

* Includes premiums on industrial business.

Life Insurance Business in New Mexico in 1904.

(Compiled from the Report of the Territorial Auditor.)

COMPANIES.	Policies Issued.		Policies in Force Dec. 31, 1904.		Premiums Received.	Losses Paid.
	No.	Amount.	No.	Amount.		
Ætna	.....	.....	.....	.....	$832	$369
Conservative	20	$48,500	53	$199,288	6.076	.....
Equitable	128	309,753	973	2,397,578	76,951	22 164
Hartford	2	3,000	15	29.000	1,096	.....
Germania	24	41,200	245	456,731	16,368	11,398
Mutual Benefit	75	117,574	76	127,093	4.030	1,000
Mutual Life	747	1,403,822	2,152	5,110,490	158,528	46,277
Missouri State	141	244.482	132	233 482	3,262	.....
National U. S. A	41	58,000	75	100,650	7,604	1,000
New York Life	272	669.392	1,711	4,699,868	144.573	44,180
Northwestern Mu.	29	61,500	277	700,049	19,519	8 500
Northwestern Nat.	14	13,480	71	54,788	1,624	150
Provident Savings	7	22.000	90	307.969	11,911	.....
Pacific Mutual	3	8,189	17	40,247	1,017	.....
State Life	37	78,213	128	450,713	17,617	11,000
Security Mutual	16	32,100	13	28,100	1,081	.....
Security T. and L.	21	72,000	28	80 158	2,260	1,438
Standard L. and A.	.....	.....	.....	175	175	.....
Travelers	1	5,000	26	52.382	1,888	1,000
Union Mutual	7	14.210	146	260.922	7,418	.....
Union Central	58	178,200	361	879.026	39.097	2,500
Washington	125	376,247	285	709,328	28,287	.....
Totals, 1904	1,768	$3,756.842	6,874	$16.918,037	$551,714	$150.976
" 1903	.....	3,725.361	.....	15.564 820	523.292	154,263
" 1902	1.465	3.095,854	5,511	14.274,011	461,146	131 649
" 1900	1,165	2,111,558	4,346	11,612,333	357,919	98.322
" 1899	.....	2,482,280	.....	10.967,737	360,028	80,177
" 1898	.....	3,451.398	.....	9.759,339	328 847	69 207
" 1897	.....	3,123,666	.....	9,450,142	285,115	108,589

Life Insurance Business in Missouri in 1904.

COMPANIES.	Policies Issued. Amount.	Policies in Force Dec 31, 1904. Amount.	Premiums Received.	Losses Incurred.
Ætna	$2,023.938	$9,055,222	$334,612	$65,657
American Central	801,135	960,135	24,698	.....
Bankers. New York	.....	50,000	1,994	.....
Bankers, Nebraska	258,400	914,038	32,969	6,150
Bankers Reserve, Neb	167,500	182,500	6,484	.....
Columbian National	472,500	447,500	9,467	.....
Connecticut Mutual	531,691	6,722,359	155,832	163,807
Des Moines	347,500	1,717,500	52,196	25.000
Equitable, New York	5,138,269	30,206,286	1,056,723	390,602
Equitable, Iowa	136,764	608,575	24,612	1.000
Fidelity Mutual, Pa	1,037,297	3,310,620	101,298	22,000
Franklin, Ill	389,987	3,240,552	115,672	82,632
Germania	246,100	2,971,041	123.857	74,328
German Mutual, Mo	202.968	1,333,985	43,725	44,267
Hartford	314,389	5 287.794	170,990	171,500
Home	179,245	1,361,342	55,671	28,350
Illinois	2,361,675	4,188,914	139,481	24,000
Inter-State, Indiana	530 943	721,733	17,061	.....
John Hancock Mutual	2,349,600	6,981,279	241,475	41.000
Kansas City	1,581,869	2,825,819	131,999	20,265
Manhattan	264,513	1,9 6,701	55,075	55,629
Massachusetts Mutual	1,295,489	6,694 170	236.664	76,832
Metropolitan	6,138,054	22 007,677	*2,729,158	176,440
Minnesota Mutual	2,593,037	3,457 961	119,970	53,500
Missouri State	2,782,740	5,816,293	178,974	42,995
Mutual Benefit	1 555,643	12.346,544	380,019	252 494
Mutual, New York	7,483,670	47,579.644	1,404,854	879 074
Mutual, Illinois	36,000	33,000	708	.....
Mutual Reserve	1,038,179	3,303.733	118,367	117,022
National, Vt	2,031,403	5,435,392	173,854	27,177
National U. S. A	894,085	2,049,247	103.6 4	28,890
New England Mutual	762,420	5,737.506	197,262	76,953
New York	13.169 055	60,919,607	2,405,293	1,392.094
Northwestern Nat., Minn.	803,890	1,565,611	85,739	13,399
Pacific Mutual	659,567	2,559,210	87.213	9 016
Penn Mutual	506.064	5,128,790	184.928	75.515
Phœnix Mutual	459.505	3,789,511	146,835	28.433
Provident Life and Trust.	848,682	3,812,094	131,175	42,500
Provident Savings	679,456	3 095,829	110 139	67.165
Prudential	4,227,013	13,209,998	470,4 3	102,067
Reliance	11,000	11,000	604	.....
Royal Union, Iowa	792,904	831.379	33,857	8,000
Security Mutual	200.740	547,298	15,48	7,000
Security Trust and Life	483.673	1,0 6.758	58,975	31.675
State, Indiana	423.925	2,169,780	77,027	18 000
State Mutual, Mass.	829,043	3,310.122	125,124	43.187
Travelers	913,687	7.279,569	217,231	72,795
Union Central	848 650	5,201.559	206,257	34.502
Uni n Mutual	221,818	2,511,979	85,280	36,014
United States	231,420	1,376,715	41,147	10,160
Washington	1,727,009	2,971,332	112,402	54,070
Totals, 1904	$73 990,101	$320,951,402	$ 3.084,311	$4 993,156
" 1903	57,612,239	283,479,613	11,464 670	3,480,724
" 1902	51,368,882	255.669,736	9,140,460	3,499 195
" 1901	45.378,398	230.780 805	8 842.242	3,205 563
" 1900	42,945,382	208.211,0 0	6,653,099	2,672,794

COMPANIES.	Policies Issued. Amount.	Policies in Force Dec.31, 1904. Amount.	Premiums Received.	Losses Incurred.
Totals, 1899	$44,526,802	$191,055,601	$7,274,719	$2,433,369
" 1898	33,153.095	176,977,851	5.547.805	2,286,971
" 1897	31,770,573	164,115,697	6,102,858	2,020,242
" 1896	29,108,846	156,745,744	4,666,503	2,150.840
" 1895	33.014,206	151,900,125	4,588,978	1,458.513
" 1894	32,078,408	143,880,326	4,297,110	1.902.631
" 1893	34,628 826	139,844,864	4.097,737	1,985,819
" 1892	33,147,640	130,167.855	3,926,308	1,640 370
" 1891	29,860,751	107,9?3 156	8.367,224	1,235.700
" 1890	29,095 958	100,487,508	3,205.953	1,226.019
" 1889	25,883,517	86,515,336	2.621,761	1,036.855
" 1888	19,430,905	71,240,470	2,222,534	1,058 559
" 1887	16,224,420	64,092,307	1,811,087	867,163
" 1886	11,393.153	53,861,397	1,466.714	659,913
" 1885	8,469,786	46,561.360	1,251,070	735.185
" 1884	5,624,218	43,485,176	1,168,789	591,077
INDUSTRIAL BUSINESS.				
John Hancock Mutual	$1,444,160	$3,200,132	$117,848	$35,621
Metropolitan	16,233,906	58,311,606	2,729 158	603,424
Prudential	9,475.982	21,649,599	833,787	232,284
Totals	$27,154,048	$83,151,337	$3,680,792	$871,379
Grand Totals, 1904	$101,144,149	$404,102,739	$16,765,104	$5,864,484

* Metropolitan life premiums include both ordinary and industrial.

We are indebted to the *Western Insurance Review* for the 1904 figures.

Fire Insurance Business in New Mexico in 1904.

(*Compiled from the Report of the Territorial Auditor.*)

COMPANIES.	Risks Written.	Premiums Received.	Losses. Paid
Aachen and Munich, Aix-la-Chapelle	$171,615	$3,193	$310
Ætna, Hartford	475,893	8,798	3,852
Atlas, London	515,147	10,179	6,180
American Central, St. Louis	453,182	8,748	7,624
British America, Toronto	538,302	10,282	5,897
Connecticut Fire, Hartford	26,791	582	4
Continental, New York	352,076	6,419	1,591
Commercial Union, London	183.637	3,711	2.103
Fire Association, Philadelphia	508.605	10,730	4,843
Fireman's Fund, San Francisco	1,703,777	31,481	28.493
German-American, New York	1,052,920	14,807	4,574
Germania Fire, New York	103,475	1,612	4
Hartford Fire, Hartford	1,772,521	29,289	16,374
Insurance Company of North America	80.065	16,069	9,471
Liv. and London and Globe, New York	2,001,598	15,754	4,504
London and Lancashire, Liverpool	332 990	6,961	285
North British and Mercantile, London	397.365	7 315	3 224
National Fire, Hartford	856,157	18 882	9,136
Northern, London	482,826	9,795	5,726
Norwich Union, Norwich	563,554	11,611	7,272
Niagara Fire, New York	582,117	11,555	10.997
Orient, Hartford	319.162	6,592	6,737
Palatine, London	756,856	14,893	13,668
Scottish Union and Nat., Edinburgh	641 393	12 671	17,744
Springfield F. and M., Springfield	1,461 074	19,177	11,308
St. Paul Fire and Marine, St. Paul	495,371	7,603	6 462
Royal, Liverpool	1,215,882	22,277	12 647
Union, London	124,273	2,238	667
Totals, 1904	$18,168,625	$323,225	$201,696
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$17,616,631	$338.053	$125.768
1902	15,550 168	270,309	87,440
1901	13,397,665	231.483	104,420
1900	11,211.620	216.477	101.450
1899	11,948 084	210,187	163,583
1898	8,956,471	168.355	120 047
1897	8 808.460	168,507	70.986
1896	7,632.398	154,663	67.924
1895	7,7 6,362	149,452	66,520
1894	7,302,979	147,579	80,015
1893	8,961,658	180,021	174,387
1892	8,840 984	167,847	87,780
1891	7,420,522	147.189	60,438
1880 to 1890	56,913,295	1,208,502	677,435

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 53.6. The percentage in 1904 was 62.4.

Fire Insurance Business in West Virginia in 1904.

(*Compiled from the Annual Statement of the State Auditor.*)

COMPANIES.	Risks Written.	Premium Received.	Losses Paid.
Ætna, Hartford	$1,695,280	$27,556	$6,739
Agricultural, Watertown	258,195	4,274	5,226
American, Boston	1,228 144	22,945	8,317
American, Newark	386,675	6,497	920
American Fire, Philadelphia	1,066,661	15.500	5,763
Anchor, Cincinnati	858,915	20,925	12,624
Assurance Co. of America, New York	214.822	4.485	1,108
Armenia, Pittsburgh	272 022	7,075	1,679
Atlanta-Birmingham, Atlanta	1,191,575	25,655	1,741
British American, New York	15.605	306	281
Camden, Camden	781,489	16,519	4,915
Citizens, St. Louis	1,221,043	24,623	11,883
Commercial Union, New York	185,322	2,302	412
Continental, New York	2,332,245	42,748	16,479
Cooper, Dayton	413,185	6,499	2,112
Delaware, Philadelphia	321,900	3,312	797
Dutchess, Poughkeepsie	866,723	19.252	2,688
Equitable Fire, Charleston	299,067	6,346	1,956
Equitable Fire and Marine, Prov	354,105	5,111	4,486
Federal, Jersey City	224,306	4,079	242
Fire Association, Philadelphia	1,751,224	34,289	12,766
Fireman's Fund, San Francisco	1,026,013	15,010	8,337
Firemen's, Newark	373,855	5,038	3,837
Franklin, Wheeling	2,300,127	54,618	22,604
Franklin Fire, Philadelphia	302,675	4,160	3,614
Georgia Home, Columbus	1,568,787	27,299	16,226
German Alliance, New York	752,331	13,028	4,426
German-American, Pittsburgh	455,826	7,033	2,930
German-American, New York	2,688,771	37,921	12,597
German Fire, Wheeling	2,815,559	39,116	10,820
Germania Fire, New York	970,745	14,468	3,967
German Fire, Pittsburgh	601,802	11,603	5,141
German Fire, Peoria	711,355	15,189	1,112
German, Freeport	37,400	496	
Glens Falls, Glens Falls	4 3,073	5,697	642
Hanover Fire, New York	1,448,150	25,077	10,893
Hartford Fire, Hartford	5,623,455	103,050	37,541
Home, New York	5 027,623	67,558	21 886
Home Fire and Marine, San Francisco	53,000	1,030	
Indemnity Fire, New York	361,645	5,916	3,378
Insurance Company of North America	1,243,153	20.326	11,325
Louisville, Louisville	134.267	2,704	
Lumber, New York	203,300	5,173	965
Milwaukee Mechanics, Milwaukee	641,375	10,166	3,664
National Fire, Hartford	1,795,109	29,230	5,796
National Union Fire, Pittsburgh	1.343.600	20.537	11,952
Niagara Fire, New York	1,376 325	25,429	10,215
North German Fire, New York	237,536	4,409	
Orient, Hartford	246,115	4.309	106
Pelican, New York	389,327	6,655	5,780
Pennsylvania Fire, Philadelphia	875,318	15 058	7 690
Phenix, Brooklyn	2,183,687	40,681	12,962
Phœnix, Hartford	1,074,251	13.565	1 355
Providence-Washington, Providence	1,876.502	27,502	13.464
Queen, New York	1,196.234	21,055	8 522
Reliance, Philadelphia	267,055	3.622	1,735
Rochester German, Rochester	879,405	19,160	11,348
St. Paul Fire and Marine, St. Paul	963.221	19.616	15,731
Security, New Haven	529,481	9,704	3.370
Springfield F. and M., Springfield	1,082,761	14.482	8,424
Teutonia Fire and Marine, Dayton	189,271	2.292	2,234
Teutonia Fire, New Orleans	327.746	5.661	
Traders, Chicago	351,335	6 789	5,670
Union, Philadelphia	112,560	1,244	3,356
United States Fire, New York	781 393	11,380	6,214
Victoria Fire, New York	22,500	326	
Virginia State, Richmond	1,613,221	31.928	23,784
Westchester Fire, New York	396,656	9,061	2.646
Williamsburgh City Fire, New York	302,800	5,255	1,620
Totals	$66,119,199	$1,140,920	$466,028
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle	$502,769	$9,243	$7,080
Atlas, London	202,925	3,376	
British America, Toronto	585,937	9,602	7,199
Caledonian, Edinburgh	513,447	7,015	4,844
Cologne Reinsurance, Cologne	246,457	4,655	306
Commercial Union, London	1,578,422	25,390	8,764
Hamburg-Bremen, Hamburg	1,563,181	29,787	20,001
Law Union and Crown, London	171,403	2,388	2,343
Liverpool and London and Globe, Liv.	1,842,911	29,171	9.907
London Assurance Corporation	1,291,910	24,311	1,220
London and Lancashire, Liverpool	747,630	11,545	4,563
Moscow Fire, Moscow	172,320	2,954	2
National, London	1,147,038	25,104	10,341
North British and Mercantile, London	1,694,391	27,074	10,431
Northern, London	894,200	15.010	7,712
Norwich Union Fire, Norwich	1,012,139	17,308	9,240
Palatine, London	387,906	5 882	1,484
Phœnix, London	4,924.858	87,578	49,413
Prussian National, Stettin	459,572	6,966	4,584
Royal, Liverpool	1,676,139	26,330	13,016
Scottish Union and National, Edinb'gh	452 360	7.845	410
Skandia, Gothenburg	95,842	1,642	33
State Fire, Liverpool	102,600	1,609	39
Sun, London	754,297	11,442	3,580

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Union, London	$278,729	$4,386	$2,132
Western, Toronto	1,278,746	17,318	12,618
Totals	$24.574.129	$414,930	$197,262
Grand Totals	$90,693,328	$1,558,85	$663,290
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$88,533,549	$1,413,698	$496,323
1902	77.659,358	1,145,251	758,978
1901	70,694,063	950,853	589,764
1900	61,545.822	783,779	441.317
1899	48,700,435	615,765	370,350
1898	39 323.008	527.848	284,951
1897	41,024,075	552,550	259,153
1896	34.547,962	461.548	183,044
1895	34,360,149	472,023	274,024
1894	39.034 554	476.487	274,353
1893	33.484.178	401,326	275.440
1892	38,092,987	469,386	224.031
1891	35,126,429	427,604	195,085
1880 to 1890	376,672,319	3,205,247	1,826,946

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 52.8. The percentage in 1904 was 42.6.

Fire Insurance Business in Missouri in 1904.

(Compiled from a Preliminary Report of the Superintendent of Insurance.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Companies of Missouri.			
American Central, St. Louis	$15 439,692	$210,920	$72,418
Citizens, St. Louis	7,965,240	105,045	36,836
Individual Underwriters, St. Louis	1,351,048	14,289	.....
Totals	$24,755,980	$330,254	$109,254
Companies of Other States.			
Ætna, Hartford	$9,811,725	$129,482	$52,958
Agricultural, Watertown	4,675,900	56,970	31,490
Allemannia Fire, Pittsburgh	1,216,066	17,019	4,147
American, Boston	1,270.163	15.011	6,413
American Lloyds, New York	1,430.250	11,967	95
American, Newark	7,740,016	93,908	24 796
American Fire, Philadelphia	4,527,715	45,842	11.556
Anchor Fire, Cincinnati	321,332	9,854	1,261
Assurance Co. of America, New York	2,157,156	21 376	7,638
British American, New York	501,100	6,686	566
Buffalo Commercial, Buffalo	1,824,416	22,839	10,130
Buffalo German, Buffalo	3,493,301	47,172	18.439
Camden, Camden, N. J.	669,812	9,837	1,614
Colonial, New York	1,528,3 9	21,673	6,480
Commerce, Albany	983,069	12,135	3,283
Commonwealth, New York	2.701,801	27,327	6 593
Concordia Fire, Milwaukee	5.019,289	61,908	20 787
Connecticut Fire, Hartford	16.124,508	227,69 :	89,001
Continental, New York	31.797,665	276,835	128.666
Delaware, Philadelphia	4,006,503	49 464	14 900
Detroit Fire and Marine, Detroit	1,145,942	12.180	4,251
Eastern Fire, Atlantic City, N. J	512,025	5.807	714
Equitable F. and M., Providence	2.044,120	24,834	7,240
Farmers, York, Pa	785,528	12,368	4,299
Federal, Jersey City	2,714,425	21,216	2,755
Fire Association, Philadelphia	5,093,196	75,401	34,102
Firemen's, Newark	7.215,375	70,315	13 420
Fireman's Fund, San Francisco	4,360,792	56,613	13 680
Fire Ins. Co. County of Philadelphia	766,775	9,277	905
Franklin Fire, Philadelphia	882,555	11 793	3,348
German, Freeport, Ill	9,615,285	116,788	35,884
German Alliance, New York	2,967,969	40,120	13,246
German-American, New York	13,776.191	183.706	65,768
German Fire, Pittsburgh	2,513,513	30.671	8.413
German National, Chicago	2,480,438	35,883	16,853
Germania Fire, New York,	5,919,114	77,046	29,616
Girard Fire and Marine, Philadelphia	1,743,552	21.344	3,254
Glens Falls, Glens Falls	4,834,441	46 404	22,989
Hanover Fire, New York	6 232,512	86,960	33,945
Hartford Fire, Hartford	29,326 354	392.616	134.398
Home, New York	50,182,999	398,175	155,247
Home Fire and Marine, San Francisco	3,024 690	42,339	7 947
Indemnity Fire, New York	1,001,225	12,034	1,676
Insurance Company of N. America	12,142,173	162,956	60,360
Insurance Co., State of Pennsylvania	344 175	4,484	.....
In. Co. of State of Illinois, Rockford	1,101 655	14,760	771
Jefferson Fire, Philadelphia	261 950	5 221	730
Liverpool and London and Globe, N. Y	795,449	7,573	1,335
Lumbermen's, Philadelphia	846,442	12 388	4,206
Lumber, New York	95,400	1,807	.....
Mechanics Fire, Philadelphia	$1,939,362	$28,054	$9,721
Mechanics and Traders, New Orleans	1,408,885	13,037	843
Mercantile Fire and Marine, Boston	1,796,40	26.711	14,395
Metropolitan Fire, Chicago	911.885	8,086	2,886
Michigan Fire and Marine, Detroit	1,438.447	16,510	4,988
Millers National, Chicago	1,174,512	43,925	3,584
Milwaukee Fire, Milwaukee	1,676.642	17.136	5,699
Milwaukee Mechanics, Milwaukee	5,753,738	75,770	21,590
Nassau Fire, New York	1,515,822	23,832	2,883
National, Allegheny, Pa	809,449	11,137	108
National Fire, Hartford	35,097,288	333.376	68,114
National Union, Pittsburgh	1,734.114	24,62 :	6,185
Newark Fire, Newark	1.273.967	14 502	3,980
New Hampshire Fire, Manchester	4,901,032	53.527	18,150
New York Fire, New York	1,700,496	18,471	4,903
North British and Mercantile, N. Y	1,322 396	10,678	414
North German, New York	1.316,032	23,096	6,373
Northern, New York	1,210,839	15 039	1,230
North River, New York	1.471,537	23,726	7.541
Northwestern National, Milwaukee	9,950,890	82,291	24 644
Orient, Hartford	5 492,955	63.518	29,687
Pelican, New York	362 889	5,178	179
Pennsylvania Fire, Philadelphia	7,501,425	91,180	24,616
Phenix, New York	14.543,564	202 299	73,769
Phœnix, Hartford	15,033,296	190,398	59,306
Providence-Washington, Providence	5,147.464	53.542	17,038
Queen, New York	11 990,950	165,014	65 440
Reliance, Philadelphia	3,137,139	38,814	11,126
Rochester German, Rochester	3,737,180	50 817	12,605
Security Fire, Baltimore	1,216.100	14 242	514
Security, New Haven	3,516,293	32 990	3,612
Springfield Fire and Marine	10 626.210	122,898	37.536
Spring Garden, Philadelphia	2,175,944	34,448	7,685
St. Paul Fire and Marine, St, Paul	3,681,159	41.874	12,317
Star Fire, Louisville	913,670	10 259	1,801
Stuyvesant, New York	415 210	6,299	2,222
Teutonia, New Orleans	1,990.216	22,688	9 453
Traders, Chicago	2,701,319	34 310	10,655
Union, Philadelphia	1,443,198	13,707	3,128
United States, New York	1,992.593	19,913	1,121
Westchester, New York	4 410 092	57,616	14,021
Williamsburgh City, New York	1,951,853	28,013	6,169
Totals	$458,924,869	$5,321,622	$1,734,399
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle	$1,880.583	$25,305	$10,959
Atlas, London	3,013.047	35,657	10,517
British America, Toronto	2 295,593	29 919	6,696
Caledonia, Edinburgh	1.201,833	13,339	702
Commercial Union, London	6 023.697	71 532	13.134
Hamburg-Bremen, Hamburg	3,736,955	53 441	17,520
Liverpool and London and Globe	15 658 947	210,775	81 200
London Assurance Corporation	3,285 383	43.194	8.013
London and Lancashire, Liverpool	5,249.321	54,094	13,331
North British and Mercantile, London	11,395,324	136.641	49,670
Northern, London	10,730,799	141,451	40.992
Norwich Union, Norwich	4.242,818	51,321	12,723
Palatine, London	2,308.715	29,811	4,231
Phœnix, London	12,091 598	152.924	99,757
Prussian National, Stettin	3,608.956	41.544	10.089
Royal, Liverpool	16,177,736	195,058	50,744
Royal Exchange, London	4 872,101	47,916	16,209
Scottish Union and Nat., Edinburgh	3,709,185	45,207	15,496
State Fire, Liverpool	539.518	7,814	3,410
Sun, London	6,743,301	78 736	11,141
Svea, Gothenburg	807,720	6 894	137
Union, London	2,221,463	28,910	12,343
Western, Toronto	2,605,003	32,307	7,877
Totals	$124 392,625	$1,532,917	$497,191
Grand totals, 1904	$608,073,474	$7,184,793	$2 340,844
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$548,802,436	$6,909 497	$3,489,328
1902	515,366,496	6,117.514	3,480,982
1901	505 642,430	5,345,799	4,096,914
1900	487,643,151	4.878,231	3,657.335
1899	450,740,282	4,731,382	2,748,780
1898	405 266,796	4,730.459	2,967.754
1897	383,870,790	4,605,890	2,639,949
1896	382,982,600	4.769,386	2,366 955
1895	365,814,279	4,925,340	2.481,371
1894	349,277.150	4,913,499	3,495,363
1893	399.248,169	5,026 444	4,524,619
1892	418.077.261	5.062,634	3 857,776
1891	376,398,844	4,394,697	3,251,195
1890	376,904,731	4,501 369	2 610.839
1880 to 1890	2,996,145,615	37,015,975	22,870,106

The percentage of losses to premiums in the twenty-five years reported in the above table is 61..0 The percentage in 1904 was 32.5.

Mutual companies wrote $20,639,235 in Missouri in 1904. with $658,173 premiums and $128,844 losses.

(*Continued from page 353.*)

sible to qualify for the convention. After such magnificent work as has been accomplished in these first three months of 1905, we don't want to see any man disappointed who had a hope of filling his quota. We want everyone to have all the opportunities and all the time possible to qualify. For that reason we have extended the time in which to qualify till Saturday night, April 15, and in appreciation of your magnificent work during the past two months we are going to extend the time for settlement from April 20, as originally stated, to and including Monday, May 1, notwithstanding the fact that this will make it necessary for us to postpone slightly the convention dates. Concerning this you will be advised later. * *

A Mormon Fire Insurance Company.

The recent announcement that the Mormon Church is to run a life insurance company at Salt Lake City has led the *Salt Lake Tribune,* whose editor was recently excommunicated from that faith for plain speaking, to tell the following sensational story of the operations of the church's fire insurance company:

There are very few people in Utah who know that the Home Fire insurance company of Utah, of which Apostle Heber J. Grant is president, controls the fire insurance of the State, and a considerable proportion of that of Idaho, especially the southeastern part. Those who do know it may or may not be aware of the fact that, with assets of only $389,030.88, this church company is carrying risks to a total of $7,952,530.20. That is: Having guaranteed indemnity against loss by fire to the total amount of nearly $8,000,000 in Utah alone, this company is possessed of aggregate resources, including stocks, bonds, real estate and cash on hand and in bank, of something less than $400,000. These figures are official, or presumably so, for the reason that they are the exact returns for the business of the year 1904, filed with the Secretary of State on February 21 of the present year.

According to the same source of information, the report of the officers of the company, the Home Fire insurance company of Utah, during the year 1904, collected in gross premiums $73,391.11 and paid out in fire losses $15,365.43. That is, the people of Utah paid to a company with what would look to be insufficient assets a sum equal to 20 per cent. of the value of those assets, and which was to insure the payment, in the event of loss, of about $8,000,000 to be paid out of a total possible asset of something less than $400,000.

Let it be understood that in Utah alone the company has established thirty-five local agencies, the occupants of each and every one of which are Mormons or Mormon concerns. Many of them are bishops, bishops' councilors and ward clerks. Every Mormon store in the outlying districts is perforce a subscriber to the Home Fire of Utah. Further than that, as one prominent local insurance man put it yesterday, Heber J. Grant, when he was out on church business and his expenses paid by the church, just as those of any other commercial traveler would be paid by his house, put in the bulk of his time soliciting fire insurance for his company, and on many occasions publicly exhorted the people to insure in his company because it was an organization not composed of nor controlled by the wicked Gentiles.

The Home Fire of Utah was organized in 1886, and prior to that time there were but few of the Mormon people, if any, who ever protected their property by insurance. There were a number of the old line companies here with active agents, and, through the requirements of our modern commercial system, there was a good field in the matter of protecting mortgages and credits alone. All of these old agencies had a good business before the Mormon company entered the field.

Let us see where they are now. During the last year the Home Fire of Utah received over $73,000 in premiums, with total assets of less than $400,000.

An American company in this field for insurance long before the Mormon company, with assets of over $15,000,000; whose business integrity is unquestioned and has been demonstrated; whose resident agents are not only efficient but popular, received but a little over $32,000 in premiums in the same year, and no other company came anywhere near the same figures.

One insurance man who has been in the business here since before the organization of the church's company, said yesterday that at first he could occasionally get a policy from some Mormon or other. "I have some of them yet," he said, "but have noted that I lose just about 90 per cent. of them. Before the period of renewal the ward teachers have been around and have instructed the people to patronize their Home insurance company."

Another insurance man states that 85 per cent. of the Mormon dwellings in Utah are insured in the Mormon company. "Let us see," said this gentleman, "how they keep the money at home. As a matter of fact, the Home Fire of Utah sends the big end of all the money it receives in premiums to some of the large Eastern companies. It doesn't keep any of the money at home except its own rakeoff. It has practically no assets and must reinsure, and that is exactly what it does. The percentage that it reinsures is somewhere about 98 or 99 per cent., and the only insurance that it carries itself is the choicest of the dwelling house risks, where the minimum hazard prevails."

Another insurance man whose business is the life line, stated that the new life insurance company which the church is about to organize will be operated on the same lines as the fire company. It will not have the necessary assets to pay policies and will reinsure in some of the larger Eastern companies, taking only its excess commission.

The mere fact that man can be induced to buy insurance by religious exhortations and because of connection with a religious body, suggested that the buyer might be so operated upon that he would pay whatever price the church might dictate he should pay. The Home Fire of Utah has the reputation among insurance men of cutting rates where the same is necessary in going after a risk owned by a Gentile, but in the settlements and the outlying towns they are known as keeping the rates pretty well up; sometimes exceedingly high.

North British & Mercantile
INSURANCE COMPANY,
OF LONDON AND EDINBURGH.
Established 1809.
OFFICE:
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Life Insurance Company of Boston, Mass.
Insurance in Force December 31, 1904, - - Over $356,000,000
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St. Paul Building, New York.

INCORPORATED 1865.
GERMAN INSURANCE CO.
OF FREEPORT, ILL.
The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
Net Surplus	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Sec.

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THAT TELLS THE WHOLE STORY.

The Union Central Life

INSURANCE COMPANY,
CINCINNATI, OHIO.

THE GREAT POLICYHOLDERS' COMPANY.

Assets, January 1, 1905,	$43,891,738.40
Liabilities,	36,675,050.24
Gross Surplus,	7,216,688.16

No Fluctuating Securities. Largest Rate of Interest.
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No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

FORTY-FIFTH YEAR

HOME LIFE
INSURANCE COMPANY
OF NEW YORK.

GEORGE E. IDE, President.

Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus,	1,134,104.25	1,362,315.56
Insurance in Force,		74,892,289.00

SUN

Insurance Office of London

FOUNDED 1710.

United States Branch: 54 Pine St., New York.

Western Department: 171 La Salle St., Chicago.

Pacific Department: 215 Sansome St., San Francisco.

BRITISH AMERICA ASSURANCE CO. INCORPORATED 1833.

FIRE AND MARINE. HEAD OFFICE—TORONTO, CANADA.

UNITED STATES BRANCH.

JANUARY 1, 1905.

Assets	$1,428,610.75
Liabilities	1,030,923.14
Net Surplus	$397,687 61

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.

"SAFE AS A NATIONAL BANK NOTE."

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INDIANAPOLIS, IND.

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EASTERN DEPARTMENT: 621 Walnut Stree , PHILADELPHIA,
H. E. ROBERTS, Second Vice-President.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

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Fidelity and Guaranty
Company,
BALTIMORE, MD.,
16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

Established 1782.
Phœnix Assurance Company, Ltd.,
OF LONDON.
FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.
Head Office for the United States, 47 Cedar St., N. Y.
A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, JR., Sec.

C. H. Bunker, President. Franklin H. Head, Vice-President.
A. A. Smith, Secretary. H. G. B. Alexander, 2nd Vice-Pres. and Gen. Mgr
Continental Casualty Company
POLICIES ARE PROTECTED by more than ONE MILLION DOLLARS ASSETS.
Capital Stock, $300,000.00
Accident and Health Insurance
General Offices, Chicago
OVER FIVE MILLION DOLLARS paid in claims to 175,000 of our POLICY HOLDERS.
GOOD CONTRACTS IN GOOD TERRITORY TO GOOD MEN
Producers, address H. G. B. Alexander, 2nd Vice-Pres. and Gen. Mgr.
134 Monroe Street, Chicago.

SUCCESSFUL LIFE INSURANCE MEN
wishing to secure a first-class contract with a continuous renewal interest should communicate with
Security Mutual Life Insurance Co.
BINGHAMTON, N. Y.
CHAS. M. TURNER, President.
New policy forms with special features very attractive to prospective insurers.
FOR FULL PARTICULARS ADDRESS
A. B. HOWE, Assistant General Manager.

1851 Phoenix Mutual Life Insurance Company 1904
OF HARTFORD, CONN.
Issues every Desirable Form of Policy known to modern Life Insurance.
The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.
Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office
JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

The Columbian National Life Insurance Company
BOSTON, MASS.
INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.
PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

INCORPORATED 1851.
The Berkshire Life Insurance Co.
OF PITTSFIELD, Mass.
All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.
JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Sec'y.
Agencies in all the principal cities of the United States.

The Jefferson Fire and Marine Ins. Corporation
OF RICHMOND, VA.
Surplus Lines. Capital, $100,000.
DAVID C. TAYLOR, General Agent, 58 William Street, N. Y
Telephone: 3894 John.
FORTY-FOURTH YEAR.

THE AMERICAN FIRE INSURANCE COMPANY.
OFFICE
OMPANY'S BUILDING. 308 and 310 Walnut Street, Philadelphia.
A.D. 1810

CASH CAPITAL,	$500,000.00
Reserve for Reinsurance and all other claims,	1,978,814.57
Surplus over all Liabilities,	354,025.78

TOTAL ASSETS, JAN. 1, 1904, $2,832,840.35.
THOS. H. MONTGOMERY, President.
JOHN H. PACKARD, JR., Vice-Pres. and Sec'y.
WM. F. WILLIAMS, Treas. and Asst. Sec'y.
WM. B. KELLY, Gen'l Mgr.
DIRECTORS.
Thomas H. Montgomery. Charles S. Whelen. Edward Lowber Welsh.
Israel Morris. Edward F. Beale. Archibald R. Montgomery.
Joseph E Gillingham. John S. Gerhard. John H. Packard, Jr.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488,98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000

STATEMENT DECEMBER 31, 1904.

Resources (including Capital, $2,500,000)	$5,837,309.20
Liabilities (including Reserve, $793,173.24)	1,204,075.01

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

TELEPHONE: CORTLANDT 5395.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

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THE sixtieth anniversary of the founding of the New York Life insurance company occurred on Wednesday, April 12. The executive committee has made a report, which we reprint, reviewing the career of the company from its inception to the present day. The report is written with singular moderation, considering the remarkable achievements of the company, particularly those of the past decade. But it was not necessary to use superlatives in describing a growth which speaks for itself in figures impressive by their magnitude. What strikes the reader most in the exposition is the fact that great as the New York Life was when the present administration took charge of its affairs a little more than ten years ago, its greatness has more than doubled in that comparatively brief period. This is the crowning fact of this sixtieth anniversary. It emphasizes masterly management, whose methods have been, as the report says, the inspiration of the field force with zealous devotion to the company, the reorganization of the internal machinery of the office to conform with modern conditions, and the adoption of theories of investment of the policyholders' money which have given the most profitable returns.

EQUITABLE LIFE matters have at last got into the courts and we are more than half inclined to wish that they may remain tied up there, until at least the present disturbance has subsided and Reason has resumed her sway in the life insurance world. For it is plain now that the movement for a change in the government of the company—in the way it was made—was the opening of a veritable Pandora's box, filled with troubles, let loose to scourge the life insurance business. All this defamation and recrimination that has been going on, this uproar in the Legislature, this starting of investigations and of lawsuits by stockholders and policyholders, as well as by those unclean birds which are ever attracted to the scene of discord in hope of gain, have settled like a pall on the energies and aspirations of the multitude of earnest men who are working for life insurance. It will be a mercy to them when the tumult ceases. Life insurance is all right, and the integrity of no company is compromised by this commotion; but how can an agent get a hearing—difficult enough at all times—with the revilings and cartoonings of the newspapers cast in his face? The effect upon the Equitable's faithful army of workmen can be seen in their coming together in conference in this city next week at the call of the president, and the offer of the agency director to compensate them with extra commissions to meet their losses in the falling off of business. What is wanted most is a return to the *status quo ante bellum*. If the courts will conduce to that, bless the courts! The Legislature, thank God, will adjourn in two weeks, and that source of disorder and confusion will be shut off. The policyholders of the Equitable can rest contented upon the two investigations into its affairs that are in progress, and that through them justice will be meted out to all who are concerned.

THE unwillingness of the States to divest themselves of the authority to supervise the business of insurance within their borders and hand it over to the National Government is shown by the course of the Nebraska Legislature in killing the joint resolution introduced in that body in favor of Federal supervision. The action in Nebraska is the more significant because the resolution had behind it the powerful support of Mr. R. W. Breckenridge, chairman of the insurance committee of the American Bar Association, who had been openly advocating its passage in communications to the Omaha *Bee*, from which we recently made quotations. If there was a ghost of a chance for a legislative declaration for national supervision it was under such circumstances as these. We can see no hope of overcoming the disinclination of the States to surrender the exercise of rights which they now possess, and it is therefore useless to expect that their representatives in Congress will vote for a law conferring the exclusive right upon the National Government to regulate insurance. If national supervision is to be attained it must be through some other avenue than Congress.

WE have before directed attention to the ignoble position which the proud old Commonwealth of Virginia occupies in respect to domestic wildcat fire insurance companies. Under the loose statute enacted by the Legislature in 1903 any adventurer from New York or Chicago may secure from the Corporation Commission a charter for a company, and, stocking it with fake assets, boldly bid for business through the United States mails. We do not know how many of these concerns are now in operation, and we presume it would be difficult for the State Auditor, who exercises supervision over legitimate insurance in the State, to tell, but we read of new creations nearly every week. They are apparently independent of State supervision or of any kind of official restraint, and are at liberty to prey at will so long as the Post Office Department consents to convey and deliver their mail matter. After the manner of their kind they sell policies to all who will take them, but they do not pay losses, or pay next to nothing if cornered. The last issue of *Best's Insurance News* prints some correspondence throwing light on this kind of business in

Virginia. A Western manufactory had a policy for $1,500 on its plant. There was a total loss, and the New York brokers who placed the line in a Virginia concern wrote that, after "devoting considerable time and persuasion" to the collection of the insurance, all that they could procure was $175, and they recommended the acceptance of that settlement as the best that could be expected. Almost simultaneously with the acceptance of the offer there came to the manufacturer from the company its "official statement," claiming $165,618.40 assets and soliciting a renewal of policy for the previous amount. To the very natural inquiry of the manufacturer why a company claiming such considerable assets would pay only ten per cent. of a loss claim, the secretary expressed his "surprise at the tone of the communication" and curtly referred it to the New York brokers for "their consideration." As the published correspondence ceases there the presumption is that the assured obtained no satisfaction and pocketed his loss with the affront thrown in. We have no doubt that this case is typical. The point we desire to make is that the Virginia authorities ought to be ashamed of themselves for not finding some way to remove this disgraceful blot on the escutcheon of their imperial State. Time was when the Mother of States would have scorned being the Mother of Wildcats. Why are Virginians of today less mindful of her reputation Another pertinent question is why do not the sufferers by Virginia insurance bunco report their experiences to the Post Office Department?

Facts and Opinions.

The report of Charles C. Mumford, auditor appointed by the United States Circuit Court at Providence, R. I., in the suit brought by **Alfred W. Quigg against the New York Life** insurance company, was filed last week. The plaintiff was a resident of Pawtucket, an agent of the defendant corporation for several years, and is a brother of ex-Congressman Lemuel E. Quigg, of New York. The suit was, according to the declaration, an action brought to recover a percentage of renewal premiums on policies secured by Mr. Quigg, and also certain moneys he claimed were due him as a "Nylic." The ad damnum was laid at $70,000, and the plaintiff moved to increase this to $110,000. The auditor heard the parties through their witnesses and attorneys January 3 and 4, January 27 and February 15. The plaintiff claimed that he had written the policies mentioned in a long list attached to the declaration, and that on these policies he was entitled to a percentage of 7 per cent. of the renewals for a period of fourteen years. The auditor's report says that this claim cannot be sustained. The plaintiff had no knowledge of the actual amount of renewal money received by the company on the policies, but argued that the issuing of a policy raised the presumption that it would be kept alive. The auditor holds that no such presumption arises, but that the burden is on the plaintiff to show that the premiums were actually paid. The company claimed that Quigg owed it $10,284.67 in 1898, and in March of that year gave four notes signed by Lemuel E. Quigg for $2,170, with an agreement that the rest of the debt be covered by a note on demand, signed by the plaintiff, with interest at 5 per cent. The plaintiff claimed that this agreement was not binding because the execution of it was obtained by duress and because the balance mentioned was incorrect. The auditor reported that objection to the contract of March 10, 1898, on the ground that it was obtained by duress, is not sustained, and finds that the evidence to impeach the account as settled by the contract of that date is not admissible. The auditor also finds that the account is correct in charging the plaintiff with the amount of the notes as settled by the agreement, and pursuant to agreement of counsel the auditor has not passed further upon the merits of the account and makes no report thereon.

At a meeting of the directors of the **Connecticut Mutual** Life insurance company, Wednesday afternoon, **John M. Taylor,** the vice president, was chosen unanimously to succeed the late Col. Jacob L. Greene as **president** of the company. All the members of the board were present. Mr. Taylor left the room before the vote was taken. He was called before the directors and informed of their action, and in reply thanked them for the honor conferred. This was the only business transacted by the board, no vice president to succeed Mr. Taylor being elected. A sketch of the new president, whose election was anticipated, appeared in our columns last week. A close friend of Mr. Taylor in Hartford said of him on Wednesday afternoon:

> For thirty years Mr. Taylor was Colonel Greene's close confidant and assistant in the management of the affairs of the Connecticut Mutual, and brought to that relation all of the ability and integrity which are his in great abundance. Through the storm and stress of years his has been service of faithful loyalty to the ideals and principles for which he and Colonel Greene were fighting, and a personal loyalty to his chief which was unwavering. With this history and experience behind him both Mr. Taylor's friends and the friends of the company cannot but feel that his election to the office of president of the Connecticut Mutual is a just reward for faithful and meritorious service done, and surety for a bright future for the company.

The tribute to Colonel Greene, adopted by the board of directors, and which was from the pen of Mr. Taylor, appears on another page of this week's paper.

The directors of the **American Fire** insurance company of Philadelphia, at a meeting this week, filled the vacancy caused by the death of President Thomas H. Montgomery by the election of Vice President John H. Packard, Jr., to fill that position. Mr. Packard was born in Philadelphia May 9, 1865, and began his insurance career in 1884 as clerk in the agency of Thomas C. Foster in Philadelphia. Later in that year he entered the office of the American Fire as general clerk, and became its city inspector in 1886. In 1895 he was appointed metropolitian district surveyor at New York for the London Assurance Corporation, and was appointed manager for Philadelphia and the suburban district of the Sun Insurance Office and London Assurance in 1896. He was assistant secretary of the Philadelphia Fire Underwriters' Association from 1897 to 1902, when he was elected vice president and secretary of the American Fire. He is succeeded as vice president and secretary by Mr. Waite Bliven, who has been special agent of the company in Illinois, Indiana and Wisconsin since 1888, and who was previously, from 1885, in the Western department of the company. Mr. Edward Maneuvre, who has had charge of the Philadelphia department for some time, has been elected an assistant secretary. Thomas K. Ober, Jr., and Francis E. Bond were elected to the directorate.

The annual convention of the Indianapolis district life and accident **agents of the Travelers insurance company** of Hartford, Conn., was held April 6 at the Denison Hotel. About thirty agents from various parts of the State were in attendance. The convention was conducted by W. E. Schilling, manager of the agencies for Indiana. The first session was called to order at 10 o'clock by Mr. Schilling, who spoke

briefly on the objects of the meeting. A general discussion followed on "The Policy Contracts," led by Mr. Schilling and Arthur C. Wells, special representative of the company. "Accidents Contracts" were discussed by H. C. Newcom and a number of the other agents. The session in the afternoon included a general talk on the methods of obtaining business by Mr. Schilling, and talks by Paul Dekress, of Evansville, agency director of Southern Indiana; George W. Reed, of South Bend, agency director of Northern Indiana, and George D. Marcy, cashier at Indianapolis. There are about 125 agents of the company in Indiana. During the last year the Indianapolis district has moved up to fifth place in the life department and tenth place in the accident department. At noon a luncheon was held at the Denison.

As a result of the terrible explosion of March 20, which destroyed the **shoe factory of R. B. Grover & Co.** with an appalling loss of life, the unfortunate firm has filed a voluntary petition in bankruptcy. The adjustment committee for the fire insurance companies finds the valuation of the plant to be about $275,000, so that with all allowances for depreciation the insurance thereon will probably be a total loss. Legislation suggested by the disaster is still being proposed. The rules of the Massachusetts Senate were suspended Tuesday to admit these petitions: (1) for stricter inspection of steam boilers and reports to the district police by insurance companies as to the condition of boilers inspected by them; (2) prohibiting the construction of lap seam boilers and providing for the removal of such boilers now installed; (3) providing for quarterly reports by casualty insurance companies relative to the inspection of boilers insured by them; (4) adding ten members to the State police force for boiler inspection, with inspections at least twice a year and as much oftener as the district police shall require. The first three of these petitions were referred to the Committee on Mercantile Affairs, the fourth to the Mercantile Affairs and Public Service Committees, sitting jointly.

Nine lives were lost a few months ago at Melrose, Mass., in consequence of the impact of an electric car against a package of dynamite which had fallen from a wagon driven by a heedless boy. In spite of this awful example there has been no entire cessation in Massachusetts of carelessness in **the transportation of explosives,** the regulation of which hitherto has been in the hands of the several cities and towns of that Commonwealth. This week, however, a bill became law by the signature of Governor Douglas, which revokes the right of cities and towns to make their own rules as regards explosives, and confers the powers and duties relating thereto upon the detective and fire inspection department of the State police. Chief Shaw and Deputy Neal are at work upon a code of regulations, which will be ready in about a month and are based upon the regulations of that nature in force in the great centres of the world. In Boston the State police will designate Fire Commissioner Wells to see that the rules are enforced as far as his department is concerned. There will probably be a rule that the police department of each city and town shall send an officer to accompany every load of explosives through the streets.

The litigation in the United States District Court at Chattanooga, Tenn., arising out of the bankruptcy of the **Southern Car and Foundry Company,** which has been in progress nearly two years, was wound up last week. The National Surety Company and the American Surety Company guaranteed the warehouse receipts of the Security Warehousing Company and the Export Storage Company, which were negotiated as collateral accompanying the notes of the car and foundry company held by the various bank and trust companies included in the litigation. The warehouse receipts have been surrendered to the respective companies for cancellation, the holders of the receipts receiving practically the full amount of their claims. The final decree in the case awarded the receipt holders judgment for $672,219.32 against the trustees in bankruptcy out of a total of claims proved aggregating $768,562, the difference being about $96,000 deficiency on the claims. In anticipation of the adjustment of this litigation the National Surety Company had set aside in its contingent reserve a substantial sum, which, with a small contribution from its surplus, cancelled its liability in the litigation.

A decision handed down by the Appellate Division of the New York Supreme Court this week confirms judgment for $6,000, which was awarded the **German American** insurance company in a suit brought against the New York Gas, Electric Light, Heat and Power Company. The insurance company paid a loss on a block of houses in 190th street, and alleged that the fire was due to **defective electrical apparatus** put in by the defendant. The whole amount of loss involved was $100,000. The insurance companies paid the losses under their policies. This case was first tried one year ago, before Justice Andrews in the Supreme Court, who held the Edison Company liable. The opinion of the Appellate Division, written by Justice McLaughlin, says in part:

> The plaintiff contended and evidence was offered sustaining such contention that the wires were improperly placed in the first instance, by reason of which the metal cornice was melted and the wood underneath ignited. If the property was destroyed in this way, tnen the defendants were properly held liable for the damage sustained. The case is a novel one in that it affirms the rights of the insurance company to cover any loss to property where it can be shown that the damages were caused by the negligence of any party or corporation.

The daily newspaper "faking" about the Equitable Life draws forth from *Insurance* also **a rebuke.** Alluding to the yarn that the vice president threatened to "throw the company into a receivership" and pocket the surplus, it says:

> This would be unworthy of notice, except that it adds to public misinformation and misunderstanding about insurance. Reduced to a single sentence, the statement is that a great company is so completely under the power of one man that he could, if he chose, put fifty millions of its assets in his pocket, and that he has threatened to do it "if pushed too far." He has not made and would not make such a threat, for several reasons, one of which is that the money is not his and he could not touch it; but see what a mischievous assault upon life insurance this is, bred of ignorance plus indifference to everything except to "raise h—— and sell papers." Life insurance will survive all such things—no doubt of that; but is there not a call for all decent journalism to stamp on such unbounded extravagance of lying? Let us all keep cool, laymen and journalists alike; but do not get so reckless as to publish what is utterly impossible. As for field men who have this newspaper stuff thrown at them, let them point out the utter absurdity of most of it—such as this latest yarn, for instance—and any man of sanity will rate the rest at its real negative value.

The various **casualty compacts in Chicago** are having a hard time. The proposed plate glass compact failed for inability to get all the companies in, the burglary compact has thrown rates off for the same reason, and there are rumors that the surety compact may retire for fear of the new anti-trust bill. The American Bonding Company and the American Fidelity Company are not members of the burglary compact. The American Fidelity issues policies for less amounts than $1,000, which have been barred by the compact, and at lower rates, while the American Bonding issues at lower rates practically the compact form, the only variation being that it reduces the period of vacancy without notice two months. In consequence of this the compact has opened rates in com-

petition, reducing them from $22.50 to $20 on flats and apartments, and from $20 to $18 on houses. Application has also been made for permission to write smaller amounts than $1,000. It is reported that the compact companies are offering these policies in general and not only when in competition.

Suit has been begun at Omaha for the appointment of a **receiver for the National Life and Trust** and the National Life of the U. S. A. as part of a scheme to recover premiums paid on two lapsed policies for $600 each in the former company. The officers of both companies are charged with making large profits out of the reinsurance of the National Life and Trust by the National Life of the U. S. A. It is claimed that the latter company is responsible for the policies of the former, but its officers insist that they are not responsible for lapsed policies. They charge that the attorneys for the complainants demanded the repayment of the premiums paid, with $2,500 for themselves, under threat of bringing these receivership proceedings if their demands were not complied with. The attorneys believed that in view of the agitation in life insurance matters the application for a receivership would be given wide notoriety. The case will be fought, and it is understood that the company may seek to have the lawyers disbarred for attempting blackmail.

The series of disastrous and almost certainly incendiary fires about the Hoosac Tunnel docks in Boston has prompted General Manager Barr, of the Boston and Maine Railroad, which owns the docks, to confer with Fire Commissioner Wells as to what steps can be taken to protect the docks and trap the incendiary. Mr. Barr thinks that the **fires** were **set by a pyromaniac,** not by a person with a grudge against the Boston and Maine. Extra watchmen and policemen have been stationed about the piers. Last Saturday the police arrested one Joseph Chieza, who is suspected of being the possible conflagration fiend. Chieza was arraigned Monday and held for appearance next Tuesday. In the Common Council of Boston an order has been introduced and referred to the Committee on Finance asking for an appropriation of $60,000 for a fire boat in Charlestown, the district where the docks are situated.

The **disappearance of Floyd E. Rook,** district manager of the Washington Life insurance company for Northern New York, which occurred two weeks ago is a most baffling mystery so far. He lives at Malone, N. Y., and left there for New York to attend a meeting of the company on Monday. He mailed a letter to his wife Sunday, in which he told her he was well and was arranging for a trip to Chinatown with a friend whom he met in New York a short time ago. Mr. H. F. Perkins, of Malone, who was in New York Sunday, says that he visited with Rook and was invited to accompany him on the proposed trip, but declined. Since that time nothing has been heard from Rook by any of his friends. His report to the company, with a check covering all collections he made in his district, was found in his grip at the hotel. The father of the missing man and several other friends have come to New York to attempt to solve the mystery.

The report of the engineers of the **National Board's committee of twenty on St. Louis** has been made public. In general it finds conditions there more satisfactory than in most of the cities so far passed upon, the water supply being adequate, the fire department in good condition, and the construction fairly good. A potential conflagration hazard is found, owing to the narrow streets, unprotected vertical and window openings, large areas and excessive height of buildings, but the probable conflagration hazard is held to be much less owing to the prevalence of fireproof and sprinklered risks well grouped. The report makes sixty-six recommendations, of which seventeen deal with water supply, eighteen with the fire department, and nine with fire alarms, while the rest are divided among fire department auxiliaries, building department, electricity, explosives and inflammables, and streets.

The **International Congress for the advancement of insurance knowledge,** which will meet at Berlin in 1906 under the presidency of the Imperial Secretary of the Interior, Count von Posadowsky, has arranged the following program for discussion: The scope of insurance, its boundaries; the insurance of women; insurance by the state, with special reference to the insurance of children; the insurance of total abstainers and those affected with alcoholism; comparison of tables of death rates, the loading for increased risks, taxation of insurance, technical aids for use in isolated countries, reports on the spread of instruction in insurance knowledge, report on the advance of uniformity in insurance laws, report on investigations of the rate of mortality, proposition for a codification of legal decisions on insurance, with a special index of jurisdictions.

At a special meeting of the **Lowell, Mass.,** Board of Fire Underwriters last week the district bounded by Hanover, Market and Merrimack streets and Maiden lane was investigated. There has been some complaint that the rates are unequal and that a **reduction** should be given in many instances. Representatives of the New England Exchange committee were present. There was a general opinion that this district is one of the most dangerous in that city, and no reduction was granted except upon isolated cases where the present rate is obviously unfair. The Boston Theatre will be brought before the attention of the proper city authorities, and the local fire agents will suggest that it be condemned. The contiguity of such a building as this is causing the rates of adjoining property to be kept at an abnormally high figure.

The **meeting of fire insurance companies operating in Kansas,** held at Kansas City last week, discussed the increasing natural gas hazard in that State. Efforts are being made to secure the adoption of a meter system so as to prevent the present practice of allowing the fires to burn night and day, and the use of regulators to equalize the pressure. It is expected that the absence of these will be penalized in the rate. The Insurance Superintendent has ruled that fire insurance companies cannot pay explosion damages due to natural gas unless their charters specifically authorize explosion as well as fire insurance. A number of the companies have been attaching riders to their policies agreeing to pay losses caused by natural gas explosions, and this will be discontinued hereafter.

Control of the Southern insurance company of New Orleans, La., was this week secured by Robert Dickson, former manager of the Royal Exchange for the United States, through the purchase of a majority of the capital stock at its full book value of 150. Mr. Dickson becomes the president of the company, and will shortly open general offices in New York for the Southern, and in addition will operate as the Eastern agent for two other New Orleans companies. Mr. R. D. Tweedale will be manager of the Eastern department at New York, and Godchaulx, Shelby & Mioton will be Southern managers at New Orleans, with J. C. Lloyd as resi-

dent secretary there. C. W. Robinson will be vice president of the Southern. The secretary is not yet chosen.

The **new South Dakota standard policy** ordered by the Legislature at its recent session has been printed and submitted to the companies. It follows the lines of the standard policy framed by the Insurance Commissioner two years ago, including the provisions of the valued policy law and extending the period within which suit can be brought, which was set aside by the Federal courts on the ground that only the Legislature had authority to change the form. The fire insurance companies will make no endeavor to fight the measure, recognizing the right of the State to impose what legal requirements it chooses, but will call to the attention of the authorities several crudities and inconsistencies due to ignorance of the insurance business, and endeavor to have them removed.

A **warning against the Chesapeake insurance company** has been issued by Frank I. Duncan, Insurance Commissioner of Maryland. He states that the charter of the company, after being for some time out of use, was recently sold to persons outside of the State. He reports that the company in February last applied for a Maryland license through a Baltimore attorney, and filed a statement that the entire capital stock of the company, $100,000, had been paid in. The commissioner sent a deputy to examine the company, but he found nothing pertaining to it at its headquarters except the name upon the door. Ninety-one per cent. of the stock appears to be held by Frank A. Colley & Co., of New York.

The arrest was effected on Saturday at Chicago of **Charles Brock Jones,** president of the German Union Fire of Wilmington, Del., and the Fire Underwriters of America, a Chicago concern, on a charge of obtaining money under false pretenses, as a wildcat operator. The complainant is J. C. Wilcox, proprietor of the Standard Basket Works. Wilcox alleges that he carries a policy for $750 in the American Underwriters Association of Chicago, and another for $750 in the International Fire Office of New York. Both these companies, he says, are managed by Jones. When Wilcox's plant was damaged by fire recently he was unable to collect the insurance.

The **Indiana League,** the non-union organization, held its annual banquet Monday night at the Claypool Hotel in Indianapolis. The cordial relations existing between it and the Union organization were shown by an invitation to all the members of the State Board to be its guests. J. W. Williams, of the Prussian National, presided, and toasts were responded to by F. W. Penfield, of the Germania, on "Is Marriage a Failure?" discussing the success of the relations between the two organizations; Irving William, of *Rough Notes,* on "Qualifications of Special Agents," and by John B. Cromer, of the Home; H. H. Friedley, of the North America, and others.

To **succeed the late Henry Fowler,** organizer and secretary of the new Calumet Fire insurance company of Chicago, who died suddenly last week, Mr. Alonzo W. Haight, Eastern general agent of the company at Syracuse, has been elected its secretary. Mr. Haight was associated with Mr. Fowler from the start of the Calumet. He was in 1893 special agent for the Guardian in Illinois, Michigan and Indiana, and later represented the Greenwich in New York and Pennsylvania. For seven years he was special agent of the Manchester in New York. The Eastern general agency of the Calumet at Syracuse will now be closed, the field being handled from the home office.

A petition in bankruptcy has been filed against the **Seaboard Fire Underwriters,** at 68 William street, operating through Tobin & Tobin, as attorneys and managers, by Robert Van Iderstine, attorney for the following creditors: August Keuthen, $678; Luther H. Holton, $435; Israel Unterberg, $2,500, all on assigned claims for fire losses at Baltimore and Paducah, Ky., and the Vehicle Equipment Company, $1,584, for fire loss at Borough Park, Brooklyn. The concern is not incorporated. There were originally twenty-eight underwriters, among them being several politicians and lawyers, and the limit of liability for any single underwriter was $5,000.

A **report from the fire marshal** was received this week by Commissioner Hayes of New York showing that the number of fires in Manhattan, Richmond and the Bronx during 1904 was 7,549. This is an increase of 762 fires over 1903 and 1,710 over 1902. The total fire loss for last year was $4,520,943. The average loss was $600, the lowest average recorded in the history of the fire department. Commissioner Hayes says that the loss in the Borough of Richmond was higher than it should be. A volunteer fire service prevails there, and he proposes to organize a paid department in that borough before the end of this year.

The committee of the New York Board of Fire Underwriters, appointed at the request of Mayor McClellan and headed by President Evans of the Continental, to look over the plans of the department of water supply for an **auxiliary fire main system,** has sent a preliminary report to the mayor approving the plans except in the detail of the size of hydrant nozzles. The size recommended by the department would not fit the hose now in use. The full report of the Board committee will appear in a few days, and it is expected will overrule the recent objections of Chief Croker of the fire department.

A **libel suit** for $25,000 was filed this week by Charles D. Seymour, an insurance agent of Rensselaer, N. Y., **against** Second Vice President **Gage E. Tarbell,** of the Equitable Life Assurance Society, and Frank A. McNamee, a local agent of the company at Albany. The complainant alleges a conspiracy by which he was backlisted and prevented from obtaining employment as a life insurance agent. The complaint refers to the alleged agreement between the big companies not to employ agents that have been discharged for cause.

The **Philadelphia Fire Underwriters' Association** held a special meeting on Wednesday to take action on the recent death of two of its members, Thomas H. Montgomery, president of the American Fire, and John Tenney, local manager of the Royal of London. The meeting, which was largely attended, was presided over by Charles R. Peck. Remarks eulogistic of the deceased members were made by a number of those present, and suitable resolutions, presented by Charles S. Hollingshead and Charles Platt, were adopted.

The tendency toward co-operation among the smaller local fire insurance agencies in **Chicago** has resulted in the organization of the new **firm of Waller, Chandler & Grey,** taking effect May 1. It consolidates the agencies of Edward Waller & Co., Charles T. Chandler & Co. and Nichols & Grey. C. M. Nichols, formerly with the latter firm, will work with the combination as a solicitor. The new agency has five fire

companies and several casualty companies, and expects to materially decrease its expenses by the consolidation.

The **Indiana** Insurance Department is keeping a sharp eye on the **mutuals that are applying** for admission under the new laws, and is keeping out a number of wildcatters and irresponsibles that had hoped to slip in. Application was made by one mutual which the department knew had been writing business in the State for a number of years. It was notified that it would be licensed if it would report the premiums it had collected in the State and would pay the tax due on them. Comparatively few have been admitted so far.

Several **surety companies are barred from Oklahoma** by mandate of Attorney General Simms for non-compliance with the new trust law, requiring all such companies to make a deposit of $50,000 cash with the Territorial Treasurer. The companies affected are the American Bonding, Ætna Indemnity, United States Fidelity and Guaranty and Fidelity and Deposit, National Surety of New York City, and Bankers Surety of Cleveland. The American Surety of New York was the only one to comply with the law.

Among the testimony brought out at the hearing on the damage suit of **McCarthy vs. John C. Paige & Co.,** at Boston, was a statement by the members of the firm of Obrion & Russell to the effect that McCarthy, prior to his admission to the Paige firm, had sought admission to that of deponents', and had asserted that he was in possession of copies of important books and papers of the Paige agency. The hearing was adjourned, subject to continuance at a date to be agreed upon by counsel of parties in interest.

"It is reported that one of the fastidious ladies of this town kneads bread with her gloves on. This may be somewhat peculiar, but there are others. The editor of this paper **needs bread** with his shoes on; he needs bread with his shirt on; he needs bread with his pants on, and unless some of the delinquent subscribers to the *Flag of Freedom* pony up before long he will need bread without a damn thing on, and North Dakota is no Garden of Eden in winter time, either.—*The South Dakota Flag of Freedom.*

The Supreme Court action of the **Spring Garden insurance company against Remi Miller,** its former representative in Rochester, N. Y., was recently completed at that place. The company claimed that the defendant doubled the amount of insurance for the Beadle & Sherburne Company after being informed that $2,500 was all the company wished to issue on department stores. The defense denied any knowledge of a former policy. The jury returned a verdict for the plaintiff for the full amount demanded.

At Washington, D. C., on Friday of last week Justice Barnard announced his decision in the case of the **Royal Benefit Society,** which asked that a writ of mandamus issue against Superintendent of Insurance Thomas E. Drake, to compel him to suspend and revoke the license of the Puritan Life Insurance Association, on the ground it had paid up in cash but 10 per cent. of its capital stock. The judge sustained the demurrer filed by Mr. Drake and dismissed the writ.

The **insurance on the street railways in Toronto,** Canada, was placed last week. Of it $850,000 went to Canadian companies and $500,000 to those of the United States. The premiums on this insurance amount to about $25,000 annually. It was written without being scheduled, as the railroad company objected on the ground that the city might desire to forfeit its franchise or secure it in some way, and in such case would be furnished with a list of the company's properties.

A report presented to the governing committee of the Western Union last week is taken as assuring the organization of an inspection department which will carry on the work heretofore done by the **Insurance Survey Bureau,** and will include experts who will apply the conflagration charges, etc. The formal organization of the department was expected at the meeting to be held this week. The meeting also adopted changes in the rules governing blanket and specific policies.

The *Insurance Field* is **to be congratulated** not only by its "friends, subscribers and advertisers," but by its fellow journals, friendly, too, we hope, upon its new typographical dress. As an humble contemporary we view its improvements with pleasure. News columns are now standard newspaper size, and longer, and four to a page; more space for the editor's broad views, and clean, new type faces from cover to cover. It is a fine bird and has a right to flourish in fine feathers.

The New York *Insurance Journal* has issued its **Life Chart for 1905,** showing the condition on January 1, 1905, on ninety regular life insurance companies doing business in the United States. The figures of this chart are absolutely correct, having been compiled by one of the best known insurance mathematicians under the editor's supervision. It is commended to the use of all who need a convenient handbook of life insurance figures.

A meeting of the officers and directors of the **Colonial Life Association of Boston** was held last Monday in its offices at the Colonial building. It was expected by many that steps would be taken at this meeting toward winding up the affairs of the institution, rather than have such action taken by the Insurance Commissioner. It was stated after the meeting that nothing was done about winding up the association's business.

At Detroit, Mich., Mr. Hamilton Carhartt has **insured his life for $200,000.** It is said that this is the largest amount carried by any Michigan man on a single policy, and that few carry that much on several policies. The policy on which Mr. Carhartt's life is insured guarantees in the event of his death $10,000 annually for Mrs. Carhartt. Should she die $10,000 will be paid annually for twenty years to her children.

The **American Birth insurance company** of Boston has been refused admission to Kentucky by Insurance Commissioner Prewitt on the ground that the laws of his State do not specifically permit that class of insurance. So the stork will have to pick up what he can find in the blue grass without any subsidizing. Guess it won't hinder much, though, in that State of fine hosses and beautiful belles.

The **Manufacturers Life** insurance company of Toronto has been exploring the field **in the Republic of Mexico.** Mr. J. F. Judkin, managing director, and Foreign Superintendent W. G. Young are at present there, and it is stated that the company will soon begin business in that country. The Manufacturers has several branches in Central and South America.

The **Mercantile Fire of Little Rock,** Ark., has fully subscribed its capital of $200,000, and will soon begin business.

Marshall & Arnold are general managers. The following officers have been elected: H. L. Remmel, president; J. S. Pollock, vice president; Charles McKee, secretary; Max Heiman, treasurer. These officers, with W. P. Field, will constitute the executive committee.

The National Surety Company will withdraw from the State of **Idaho** on April 30 on account of the recent enactment of the Legislature of that State which requires a special deposit of $25,000 from surety companies. The National has recently made a deposit of $50,000 to enable it to do business in Montana, where it has a considerable business.

The **City of New York insurance company,** of which Max Danziger is president, William H. Young vice president and Major A. White secretary, having paid in its entire capital and surplus of $500,000, was authorized on Tuesday to begin writing business. Robert W. Bourne and Charles E. Wickham are managers of the metropolitan department.

Reinsurance of the Scandia Mutual Life of Chicago, an assessment company, in the Scandia Life of Chicago, a mutual company on the legal reserve basis, was accomplished Wednesday afternoon after a two days' contest. The final vote was 3,689 in favor to 1,220 against, which gave a safe margin above the two-thirds required.

The **Northwestern National Life** insurance company of Milwaukee, which is now operating in the larger cities of Tennessee and Kentucky, is looking toward an extension of its business **in the South** in view of the prosperous conditions there. Vice President James, of the company, is now making a tour to spy out the land.

The president of the **Missouri Association of Local Fire Insurance Agents** will call a conference in St. Louis within the next sixty days. At this plans will be made for organizing every county in the State to continue the campaign for the repeal of inimical insurance laws so as to be ready in time for the next fight.

The **Ohio State Fire Prevention Association** has been formed to secure better conditions, improve ordinances and diminish hazards. A. C. Speed, of the American Central, is president; H. W. Clayton, of the Germania, vice president, and John Hoover, of the London and Lancashire, secretary and treasurer.

The **annual election of trustees of the New York Life** insurance company was held Wednesday at the company's offices, No. 346 Broadway. The following trustees of the four class were re-elected: James A. Blair, John S. Kennedy, Augustus G. Paine, George W. Perkins, Edmund D. Randolph and Henry Walters.

The eighth annual edition of the **Insurance Reference Book** of L. D. Garrett & Co., of 29 Liberty street, New York, has been issued. It gives succinctly, in legible type and convenient form for reference, the statistical record of fire insurance companies, by years, from 1900 to 1904, inclusive, with ratios attached.

The Swiss Life and Annuity insurance company of Zurich has made an agreement with certain **total abstinence** societies of that country by which it gives a rebate of 4 per cent. on premiums of policies written on the lives of members of those societies. This is possible on account of the low rate of mortality in that class.

The resolution to incorporate the **Rhode Island Life** insurance company was offered in the Rhode Island Senate this week and referred to the Committee on Corporations. The proposed incorporators are John W. Sweeney, Joseph M. Bennet, Ephraim Williams and Claude W. Jester.

The **Capital Fire** insurance company of Concord, N. H., has elected Charles L. Jackman to succeed Major Henry McFarland, who recently resigned as vice president. Hon. Rufus L. Elwell, of Exeter, has been appointed to succeed Mr. Jackman as secretary.

The chairman of the insurance committee of the **Trades' League of Philadelphia** has submitted a report that fire losses in that city were less than in other cities of the same size while the premiums were greater, and he urges the abolition of the "blue slip."

At the monthly meeting of the **New York Fire Insurance Exchange** this week the appeal of Hall & Henshaw from the decision of the arbitration committee was not sustained. It was decided also to allow the treasurer to make a special deposit for a fund from which to pay salaries.

At the Hartford Club, Hartford, on Friday evening, the **Connecticut Life Underwriters' Association** gave a reception and dinner to President Dolph, of the National Association. Preliminary arrangements for the coming national convention at Hartford were discussed on the side.

The **National Life building in Chicago** will house the large majority of the local agents of the city after May 1. Of seventy-two local agencies in the Chicago Underwriters' Association, fifty-one will be located in that building after that date, leaving but twenty-one outside.

The officers of the Manufacturers' and Merchants' Association of **Kansas City,** Mo., are promoting a **fire insurance company** which will "keep insurance money at home." It is "stated" that $325,000 has already been pledged toward the organization of this company.

The committee of twenty of the National Board has decided it to be unsafe to recommend for **fire fighting purposes** any main of less than 8 inch diameter for residence districts or less than 12 inch diameter for mercantile districts, unless under very high pressure.

The **American Policyholders Protective Company** of New York was incorporated this week at Albany with $250,000 capital. It will do a general insurance business. The directors are G. R. De Moutlord, Joseph Gerradt and W. A. Babson, of New York city.

A meeting of the executive committee of the **National Association of Life Underwriters** was held in Philadelphia on Thursday, and in the evening the committee were guests at the annual banquet of the Philadelphia Association at the Bellevue-Stratford.

The **plate glass situation** is expected to get its final polishing at the next session, which will be soon. A basis rate of 2½ per cent. has been determined upon, and a commission

of 33⅓ per cent. The arbiter of the agreement has not yet been named.

The new life insurance company being organized in Indiana by R. D. Hughes, formerly of the Metropolitan Life, is to be called **the Majestic.** It will write ordinary and industrial business on the mutual plan, and will begin business in May.

Among the week's incorporations was that of **Jameson & Frelinghuysen,** of New York, as insurance brokers, with a capital of $1,000 and the following directors: J. S. Frelinghuysen, C. V. Meserole, New York; N. C. Porter, Brooklyn.

The **Calumet Fire** of Chicago has been admitted to Tennessee. D. Cliffe Stone, of Nashville, is general agent. It has applied for a license in Massachuetts and when that is granted Jordan, Lovett & Co. will be its Boston agents.

A **fire at Harrisburg,** Pa., on March 29, caused by an overheated stove in a private house, and causing $300 damage, broke a record there. There had been no previous alarm of fire in that city since February 23, or thirty-seven days.

The Union has made a protest through the governing committee against the recent **abrogation of rates at Warren and Ashley,** Ill., by the Illinois State Board, which, it is claimed, was done without consulting the Union.

A **new insurance company** is being promoted **at New Orleans,** La., by C. B. Stroudback, Leonard Stern and others, to be called the Orleans Assurance Association and to have $200,000 capital stock and $50,000 surplus.

In order to stimulate business the **National Life of the U. S. A.** has offered **diamonds,** mounted to suit the recipient, to the three agents who lead in the amount of premiums on paid for business up to June 30, 1905.

Insurance losses by **Japanese captures of Vladivostock blockade runners** foot up £1,277,725 for three months, according to Liverpool cable dispatches. Most of these insurances were effected in London Lloyds.

The **Pennsylvania** Legislature has passed a bill to increase the salary of the **deputy insurance commissioner** to $2,500 a year. The bill has not yet been signed by the Governor.

The **Western Railway Syndicate** held its annual meeting on Tuesday and elected W. J. Littlejohn president, A. J. Harding vice president, and Fred. S. James secretary.

The **Pennsylvania Casualty Company** of Scranton has increased the capital stock $300,000, making the total capitalization $500,000 and adding $150,000 to the surplus.

The leading article in the *Equitable News* for March is a poem entitled **"Fight It Out."** It is, however, not upon the subject of the present controversy.

The **Frankfort Marine, Accident and Plate Glass** insurance company has been admitted to the International Association of Accident Underwriters.

The **Spring Garden** of Philadelphia, which has just entered Indiana, has located its Indianapolis agency with the A. Metzger agency.

The **National Board's engineers** were this week in Memphis, Tenn.

Personal.

AGENCY APPOINTMENTS

American of Newark: J. S. Olund, special agent for Missouri.

Assurance Company of America: Brown, Eaton & Co., Boston, Mass., transferred from E. D. Blake & Co.

Calumet Fire of Chicago: Decliffe Stone, of Nashville, general agent for Tennessee; T. W. Crutcher, local agent for Nashville, Tenn.; D. A. Fisher, Memphis, Tenn.; Dawes & Terry, Knoxville, Tenn.; F. D. Hirschberg & Co., St. Louis, Mo.; R. B. Jones & Son, Kansas City Mo.

Capital Fire of Concord, N. H.: Frank I. Riggs, general agent for Michigan.

City of New York insurance company: Obrion & Russell, Boston, Mass.; Wile, Loeb & Gutman, Chicago, Ill.

Eagle Fire of New York: J. W. Crane & Co., Springfield, Mass.

Federal and Assurance Company of America: G. H. Stratton, special agent for Ohio and Michigan.

Glens Falls: Willis H. Lindsley, special agent for Iowa and Nebrska.

Milwaukee Fire: A. W. Freeman, special agent for Iowa and Nebraska.

Milwaukee Fire: W. A. Holmes, special agent for Pennsylvania and Western New York at Erie, Pa.

National Union: J. W. Beck, special agent for Michigan.

New Amsterdam Casualty: E. D. Boldman, manager for Ohio.

Mr. N. A. McNeil, assistant manager of the Caledonian for the United States, has been granted a leave of absence for the sake of his health, and will spend the summer abroad with his family, sailing early in May. He has been in poor health for some time, but it is hoped and expected that the change and rest will fully restore him. Mr. R. C. Christopher, general agent of the company at Philadelphia, has been summoned to the head offices in New York to fill Mr. McNeil's place temporarily, and will hold the office of second assistant manager, which has been created for him. Mr. Christopher was with the Niagara Fire from 1875 to 1883, and thereafter special agent for the company in New York State. In 1889 he was general agent of the Niagara at Philadelphia, and was appointed to the same position with the Caledonian in 1894. He is at present president of the Underwriters' Association of the Middle Department.

Mr. Pierre L. Boucher, a prominent adjuster of New York city, died April 8 at his home, 237 Central Park West, of acute bronchitis. He was fifty-nine years old and a native of New Orleans. Mr. Boucher received his early insurance training in the office of the Commercial Union, and was later special agent of the Imperial in the Western field; subsequently adjusted losses for that company in this city until its retirement. For twenty years past he had done work for T. Y. Brown & Co. and for the Royal Exchange, and was very widely and favorably known on account of his care and integrity in that most difficult of branches of insurance work, the settlement of losses.

Mr. Augustus Uhlfelder, general agent of the Equitable Life Assurance Society at Montgomery, Ala., died suddenly on Monday afternoon in the home office of the company, 120 Broadway, New York. Apoplexy was the cause. He was about forty-five years old, and had been with the company about eight years. He came to New York recently on a business trip, and at the moment he was stricken was writing a telegram to his wife telling her when to expect his return.

Mr. Arthur W. Ray, special agent of the Providence-Washington insurance company for the middle department, Long Island and West Virginia, died on Monday evening at the Presbyterian Hospital, New York. He was a native of Stonington, Conn., where he was born in 1861, and he entered the service of the company in March, 1893. The company has issued to the agents a feeling tribute to Mr. Ray's character and services.

Mr. Eli Russell King, of the firm of Vardell & King, managers of the Equitable Life Assurance Society at Dallas, Tex., died on March 11, 1905, after a brief illness. Mr. King's connection with the Equitable dated from January 1, 1897. For about five years he was a solicitor with the Dallas agency, and a short time ago he was promoted to the position he occupied when he passed away. Mr. King was thirty-six years of age.

Mr. Louis Z. Shallcross, head of the Louisville, Ky., general agency firm of L. Z. Shallcross & Co. and State agent of the Westchester Fire and the Assurance Company of America, died April 7 of tuberculosis at Las Vegas, N. M. He had been ill for over a year, and went West last February. He was thirty-nine years old.

Mr. Chauncey O. Ransom, grandson of the founder of our esteemed contemporary, *The Standard*, of Boston, and formerly connected with that paper, has bought the Cleveland, Ohio, agency of Charles A. Post & Co., and is making a well deserved success in the practical side of insurance.

General Manager H. G. B. Alexander, of the Continental Casualty Company of Chicago, sailed last week for Europe. It is rumored that the Continental may enter Great Britain if conditions are favorable. The North American Accident and the Preferred are doing business there now.

Col. Young E. Allison, who has been editor in chief of the Louisville *Daily Herald* since November, 1902, has retired from that position. He is still in editorial control of the *Insurance Field*, and we all hope that the productions of his pen may be more frequently seen in that paper hereafter.

Mr. Erasmus Nickel Dorris, fifty-five years old, agent of the Prudential at Pittsburgh, Pa., died April 7 at his late residence, 939 Park street, Allegheny. Mr. Dorris was born in Nashville, Tenn., and near the close of the Civil War enlisted in the Confederate Army.

Mr. Blair T. Scott, former superintendent of agencies of the Washington Life insurance company of New York and general agent of that company in Oregon and Washington, has been appointed an agent of the Union Central Life in Philadelphia, it is said.

Dr. Gurdon W. Russell, who has been medical director of the Ætna Life insurance company of Hartford, Conn., since its organization, celebrated his ninetieth birthday on Monday and was in his usual place at the company's offices on that day.

Mr. Adolph Trefzer, head of the Peoria, Ill., insurance firm of A. Trefzer & Co., died April 3 at Los Angeles, Cal., of consumption. He was forty-eight years old, and for three years past had been traveling in the Southwest for his health.

Mr. Uberto C. Crosby, who was last week appointed United States manager of the Royal Exchange insurance company, will enter upon his new duties the first of next month. He will appoint his assistant manager.

Mr. Charles Coddington, a general agent of the New York Life insurance company at Detroit, Mich., dropped death at Fremont, Ohio, on April 6, while ascending the steps at the house of a prospect.

Mr. A. G. Walter, assistant secretary of the Birmingham insurance company of Pittsburgh, has resigned, to connect himself with the local insurance agency of Sorg & Henning, of that city.

Mr. George W. Smith, an old time insurance agent of Philadelphia and Burlington, N. J., died at the latter place on April 8, aged seventy-five years.

Mr. Edgar B. Ward, second vice president of the Prudential insurance company of Newark, returned from Germany on Tuesday on the Kaiser Wilhelm II.

Vice President John B. Lunger, of the Travelers insurance company, has gone abroad for recuperation, after a strenuous and successful winter.

President William B. Joyce, of the National Surety Company, has returned from a six weeks' trip to Mexico and the Pacific Coast.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

LITTLE ROCK, Ark., April 13.—Senate Bill No. 289, by Mr. Amis, to require foreign life insurance companies doing business in Arkansas to keep invested in the State an amount equal to three-fourths of the annual premium has been passed by the Senate. Ayes, 26; noes, 3.

Colorado.

DENVER, Col., April 3.—No insurance bills passed this session of the General Assembly of Colorado. In fact none of the many measures introduced were reported out of the committees, and no changes were made in the insurance laws of the State.

Connecticut.

HARTFORD, Conn., April 13.—People interested in the incorporation of the Catholic Mutual Fire insurance company have succeeded in having the resolution of incorporation recommitted to the Committee on Insurance, after an adverse report on the matter. A hearing will be held on the matter next Tuesday at 2 o'clock p. m. The hearing on the resolution which purposes to repeal Section 6 of the charter of the Hartford Life insurance company, so as to permit of the distribution of the safety fund among the assessment policyholders, which was to have been held today, has again been postponed owing to the absence on his wedding trip of Hon. Lewis Sperry, a director and the counsel for the company. If Mr. Sperry returns in time the hearing will be held next Wednesday at 2 oclock.

The Senate passed today the resolution incorporating the Mechanics' Mutual Fire insurance company, to insure mechanics' tools not exceeding $200 in value. The bill amending the section of the statutes relating to policies for the benefit of married women, was taken from the table and passed.

Illinois.

SPRINGFIELD, Ill., April 11.—Arguments against House Bill No. 150, by Mr. Hall (a valued policy bill), were made today before the House Committee on Insurance by J. E. Paden and John H. Hubbell, the latter of the Queen insurance company. Action was postponed until Thursday.

The Stead-McKinley anti-trust bill, House Bill No. 488, affecting insurance companies, recently passed by the House, was reported to the Senate today and referred to the Committee on Corporations.

SPRINGFIELD, Ill., April 12.—The Committee on Insurance reported favorably on Mr. Berry's Senate Bill No. 315, directing that the Insurance Superintendent charge as liabilities of casualty insurance companies all outstanding indebtedness, and requiring reports of the number of persons injured who hold policies.

Massachusetts.

BOSTON, Mass., April 7.—The House has ordered to a third reading Senate Bill No. 126, to prohibit foreign beneficiary corporations from doing business under a name liable to be mistaken for the name of a State organization, with an amendment to make the penalty $2,000 instead of $1,000.

The House had a long debate over the bill for the incorporation of the Massachusetts Casualty Company, the question being whether this special bill should pass when a general bill (House 1126) for the same purpose was pending and likely to become law. The bill was finally passed to be engrossed by vote of 79 to 60.

BOSTON, Mass., April 11.—The House today passed to be engrossed without debate Senate Bill No. 126, to prohibit the admission of foreign beneficiary corporations to do business in Massachusetts under a name in use by a domestic corporation or liable to be mistaken therefor, amended by the House in Section 1 by striking out the words "Whoever violates the provisions of this section shall be punished by a fine not exceeding $1,000."

BOSTON, Mass., April 12.—The House has ordered to a third reading House Bill No. 1,126, to authorize certain employers' liability companies to insure against damage by steam boiler explosions. The bill was amended on motion of Mr. Clark, of Cambridge, so as to apply to all companies now existing or hereafter organized.

BOSTON, Mass., April 13.—By 20 to 7, after debate, the Senate ordered to a third reading the House Bill No. 1086, to incorporate the Massachusetts Casualty Company.

The Senate concurred with the House amendment, making the fine not over $1,000, to the Senate Bill No. 126, to prohibit the admission of foreign beneficiary corporations to do business in the State under a name in use by a domestic corporation or liable to be mistaken for it.

Michigan.

LANSING, Mich., April 12.—The majority of the Senate Insurance Committee today favorably reported Mr. Doherty's Senate Bill No. 214, increasing the tax on gross premiums of life insurance companies to 3 per cent.

Minnesota.

St. Paul, Minn., April 6.—The House today passed Senate Bill No. 219, to permit Lloyds to write sprinkler leakage insurance.

In committee of the whole the House recommended for passage Senate Bill No. 181, with an amendment making the salary of the Insurance Commissioner $3,500 a year.

St. Paul, Minn., April 7.—The House today passed Senate Bill No. 324, by Mr. Horton, relating to the deposit of securities by life insurance companies.

St. Paul, Minn., April 10.—The Senate today passed Senate Bill No. 481, by Mr. Thompson, relating to the publication of annual insurance statements.

In committee of the whole the House indefinitely postponed House Bill No. 333, by Mr. Peterson, providing that suicide shall not be a defense against the payment of a life insurance policy.

Nebraska.

Lincoln, Neb., April 8.—Senate Bill No. 216, by Mr. Mockett, a joint resolution recommending Federal supervision of insurance, has been indefinitely postponed.

New York.

Albany, N. Y., April 11.—Representatives of life insurance companies told the Senate Insurance Committee this afternoon that if the Brackett bill to repeal Section 56 of the insurance law, which requires the approval of the Attorney General before suit can be brought against any domestic insurance company, should become a law, it would tend to drive the companies out of business. Unscrupulous lawyers would combine to harass a company by a flood of lawsuits. Sensational charges could be set forth in complaints, and with the postponement and delays of trials the excessive litigation would wreck confidence in the companies before the lack of foundation for the accusations could be proven.

In opposition to the bill appeared Edward Lyman Short, of New York city, general solicitor of the Mutual Life of New York; T. W. Morris, Jr., representing the Life Insurance Underwriters' Association of New York city; ex-Insurance Superintendent William Barnes, Sr., F. W. Jenkins, of Binghamton, general solicitor of the Security Mutual Life, and J. M. Downs, of Albany, representing fifty policyholders of the New York Life, Mutual Life and Manhattan Life. The only person present favorable to the bill was R. J. Moses, of New York, the attorney who has already asked the Attorney General to institute proceedings against the Equitable Life. The purpose of this bill, as shown by Senator Brackett, the introducer, is to enable policyholders of the Equitable to bring suit direct against the company.

Ex-Superintendent Barnes filed a brief with the committee in support of his argument made as counsel for the New York Life. He said that a safeguard should be thrown around insurance companies to prevent indiscriminate litigation against them, and that New York State legislators should exercise extraordinary care and circumspection, as the insurance laws of this State are generally copied by forty-four other States and even by foreign countries, and such legislation is already so onerous upon companies that it is seriously proposed, if necessary, to amend the Constitution of the United States so as to give the general Government entire control and supervision of all the interstate insurance companies. "If New York State legislators point to their own life insurance companies," he said, "and say to our pack of hounds 'Sic! Sic!! Sic!!!' will it not be natural that forty-four other packs of hounds in other States will be unleashed for the hunt? No statute should be passed by the Legislature to meet the exigencies of any particular case, but only laws for general purposes and for the public welfare in all cases. Apparently the present bill is introduced to affect a pending litigation." Mr. Barnes paid his respects to Senator Brackett in the following terms:

"When the Hon. Edgar T. Brackett, New York State Senator (a very high and honorable office, next to that of United States Senator), has a contest with the Hon. Edgar T. Brackett, counselor at law, for a 'good client,' the victory seems to be generally won by the learned lawyer and the honorable Senator is defeated. This conflict should never occur, and Mary S. Young's lawyer should never sit on the jury which decides her case, and her distinguished lawyer should not be allowed to use his marked professional abilities and his great political power with his fellow Senators to benefit her case in court by favorable legislation."

He charged that Mr. Brackett, whom he termed "the overstrenuous and distinguished Senator," was really endeavoring to cloak his client with the powers of Governor, Superintendent of Insurance and Attorney General to examine insurance companies. He argued that the people had all the rights necessary to protect their own rights, and that the great work of great men in establishing powerful insurance companies after years of toil should not be disturbed. "Do not dynamite the fruits of their labors," he said.

Arguing for policyholders, Mr. J. M. Downs said that if this section was repealed lawyers could put every insurance company in this State out of business with their multitude of suits.

Mr. Jenkins declared that "a hundred policyholders with a hundred dishonest lawyers and with yellow journalism abroad could, if this section is repealed, drive every insurance company out of this State. They could bring a mass of suits, allege the most sensational facts, which would be published broadcast, and with the postponements and delays of trials for months and months wreck confidence and disturb public belief in companies by their unsupported allegations, so that companies would be unable to secure business. This is a time of panic, so far as insurance is concerned. In the time of panic it is all wrong to place a cudgel or instrument in the hands of the panic stricken people that they can wield with murderous effect. The repeal of this section would be a direct assault on the Attorney General and the Superintendent of Insurance, who hold the controlling influence over improper litigation against insurance companies. I consider that there are no two more model departments in the country than these."

Mr. Moses, the lawyer favoring the bill, said that even "the humblest, crosseyed, humpbacked, pigeontoed colored man or hod carrier should be able to go into court and sue the most powerful corporation." He argued that everyone should be able to have his day in court, and that under the present law a poor policyholder who had a good case was kept from securing his rights. He cited the case in which he is interested as an attorney against the Equitable, in which he claimed that his client had secured nothing like a fair settlement on his policies.

The committee postponed the further consideration of the bill in executive session to Thursday.

The Assembly has passed Mr. Mead's House Bill No. 1200, making printed copies of constitution, bylaws and minutes of mutual benefit fraternities prima facie evidence of legal adoption when sworn to by officers of such organizations.

The Senate Insurance Committee has reported favorably the following bills:

Mr. Fitzgerald's (Senate Bill No. 859), extending the powers

of title guaranty corporations; Mr. Page's (Senate Bill No. 757), forbidding casualty and credit insurance companies, after June, 1905, transacting business of guaranteeing and indemnifying those engaged in business and giving credit from loss and damage by reason of giving and extending credit to customers; and also Mr. Riordan's (Senate Bill No. 860), relative to licenses to agents in matter of excess or surplus insurance.

ALBANY, N. Y., April 11.—Mr. Malby's Senate Bill No. 156 is now Chapter 113 of this year's Laws, and regulates reserves of liability insurance companies, having been finally enacted by receiving the Governor's signature.

Mr. Brackett has introduced Senate Bill No. 917, for the relief of the Equitable Life Assurance Society, and to enable it to retire its capital stock and be thereafter managed on the mutual plan. The bill allows any stockholder to petition the Supreme Court that the capital stock of the society be condemned and commissioners appointed to appraise its value. The stock shall be deemed taken for public use and award made therefor, and from the time of payment of the award the capital stock of the society shall be retired, and all assets and property of the society held for the policyholders. In the order appointing commissioners to appraise value of stock the court shall fix the time and place when a new board of directors of the society shall be elected by the policyholders. At such meeting each policyholder shall be entitled to one vote in person or by proxy, and the fifty-two persons receiving the highest number of votes shall be the society's directors. They shall take office ten days after election, and thereafter the powers of the old directors shall cease. The new directors shall be divided by lot into three classes, term of one to expire in one year, one in two years and one in three years.

When Mr. Brackett's Senate Bill No. 266, requiring all terms of contract to be embodied in life insurance policies, came up on third reading in the Senate this afternoon, on motion of Senator Grady an amendment was incorporated to provide that its operations shall not apply to any voluntary association which by fixed and stated assessment provides a mortality fund. The bill was ordered reprinted as amended and placed on third reading.

The House this afternoon passed Mr. Ambler's Senate Bill No. 215, to permit fire insurance corporations to pay dividends in excess of 10 per cent. without the restrictions imposed by present law.

The Assembly has passed Mr. Tompkins' House Bill No. 740, to allow management of fraternal beneficiary societies through direct vote of members.

ALBANY, N. Y., April 12.—The Senate advanced to a third reading Mr. Ambler's anti-conspiracy bill (Senate Bill No. 763), despite Mr. Brackett's opposition. Mr. Brackett offered a resolution announcing that next Tuesday he should move to discharge the Senate Insurance Committee from further consideration of his Senate Bill No. 841, repealing Section 56, with respect to bringing actions against insurance companies.

ALBANY, N. Y., April 13.—The House Insurance Committee this afternoon decided to report favorably Mr. Ambler's Senate Bill No. 392, relative to the amendment of charters of domestic insurance companies.

ALBANY, N. Y., April 14.—The week just closing has been rather an uneventful one in legislative circles so far as insurance matters have been concerned. The only special feature of interest was the severe handling Senator Brackett received at the hearing before the Senate Insurance Committee by opponents of his bill to repeal Section 56 of the insurance law, which provides that an action against an insurance corporation cannot be brought without the consent of and through the Attorney General. He proposes to try and force the committee next Tuesday to report out the measure, having notified the Senate that on that day he shall move in the Senate for the committee's discharge from the further consideration of the bill. His success in this direction is regarded as doubtful, to say the least.

ALBANY, N. Y., April 14.—Senator Ambler today introduced a compromise bill, No. 943, favored by the Insurance Department and designed to straighten out the situation over assessment insurance. The bill is a substitute for Senate Bill No. 393, framed to prevent the organization of any more casualty insurance companies in this State on the assessment plan after June 1, 1905. The new bill gives the Superintendent authority to revoke the charter of any assessment insurance company when it shall be shown that its expenses exceed 30 per cent. of its receipts.

Speaking of the bill Senator Ambler said: "It was shown at hearings that with several of the assessment companies last year the expenses exceeded receipts and the State Insurance Department is convinced that a line must be drawn somewhere to regulate this business."

The Senate Insurance Committee today reported the bill of Senator Riordan, No. 807, purporting to regulate the publication of financial statements concerning condition of life and fire insurance companies and of banks and trust companies.

Tennessee.

NASHVILLE, Tenn., April 8.—House Bill No. 946, introduced by Mr. Faw (the same bill was introduced in the Senate by Mr. Schubert), provides that mutual fire insurance companies, incorporated and organized under the laws of other States, shall not be permitted to do business in this State until they shall have received a permit or certificate of authority from the Insurance Commissioner stating that such company shall have complied with the provisions of this act.

The other sections prescribe the terms under which said mutual companies may transact business in the State. Section 4 provides that all mutual fire insurance companies, incorporated under the laws of other States, in order to do business in this State, must have and maintain a net cash surplus over and above all liabilities, including its reinsurance reserve of not less than $50,000; and in addition it must have and maintain contingent assets of not less than $150,000, or in lieu of the above it must have and maintain a net cash surplus of not less than $100,000.

The fire marshal bill introduced in the Senate contains the following section:

Sec. 6. Be it further enacted, that a tax of one-fifth of one per centum on the gross premium receipts of the fire insurance companies doing business in this State shall be, and is hereby levied for the purpose of providing a fund for defraying the cost of the enforcement of this act, to be collected by the Insurance Commissioner as other taxes on fire insurance companies are now collected in this State, and the Insurance Commissioner shall keep a separate account of all moneys received and disbursed under this act, and shall include same in his annual report. The Insurance Commissioner shall pay all the necessary expenses, including counsel, deputies, detective and officers, incurred in the performance of the duties imposed by this act out of the said act fund hereinbefore provided, and any surplus of the said fund remaining at the end of any year shall be turned into the State Treasury.

NASHVILLE, Tenn., April 11.—The Tennessee Senate today rejected Senate Bill No. 613, providing for a standard policy, and passed No. 569, the fire marshal bill.

Another bill was introduced in the Senate by Mr. Schubert, to validate the three-quarter, iron safe and coinsurance clauses. This repeals the existing law forbidding the three-quarter and iron safe insurance clauses.

NASHVILLE, Tenn., April 12.—The House passed today Mr. Schubert's Senate Bill No. 616, known as the anti-compact measure. The standard policy bill, No. 613, was amended to take effect ninety instead of thirty days from date of passage, and was also passed.

Mr. Faw, chairman of the Joint Insurance Committee, has in-

troduced a bill, to be entitled an act to repeal Chapter 107 of the Acts of 1893, passed March 23, 1893, and approved April 10, 1893, being "An act to compel insurance companies to pay the full amount of loss sustained upon property covered by policies of insurance up to the amount expressed in the policies, notwithstanding any stipulation in such policies to the contrary," and to repeal Chapter 539, Acts of 1903, passed April 14, 1903, and approved April 15, 1903, amendatory of said act of 1893, and further providing the manner and form for certain stipulations and clauses in the event of their attachment to fire insurance policies, namely, the coinsurance, iron safe and three-quarter value clauses.

NASHVILLE, Tenn., April 13.—The Senate has rejected Senate Bill No. 32, by Mr. Schubert, requiring publication of statements. The House passed Senate Bill No. 493, requiring life insurance companies to stamp the character of the policy across its face, and House Bill No. 890, making laws of this State governing fraternal companies uniform with laws of other States.

Texas.

AUSTIN, Tex., April 8.—House Bill No. 22, by Mr. Williams, "for taxation of intangible assets," has passed the Senate with a number of amendments, but has been referred back to the House for further consideration.

Wisconsin.

MADISON, Wis., April 5.—House Bill No. 391, by Mr. Thieme, anti-rebate, has been recommended for passage in the House.

House Bills Nos. 696 and 697, by the Insurance Committee relating to surplus of mutual life insurance companies and "who are agents," have been recommended to pass by the House Insurance Committee, with these amendments.

The Committee on Insurance, to which was referred Senate Bill No. 85, a bill to amend Section 1971 of the Statutes of 1898, as amended by Chapter 192 of the Laws of 1899, relating to forms for and publication of statements of insurance corporations, have had the same under consideration, and have given instructions to report the same back, with the recommendation that it be concurred in.

The following bills have been indefinitely postponed by the Senate:

Senate Bill No. 45, a bill to compel life insurance companies or associations doing business under the laws of this State to report the amount of premiums to be held by and charged against such corporations.

Senate Bill No. 82, a bill to amend Sections 1966-25 and 1967-27 of the Statutes of 1898, relating to casualty, credit, title and suiety insurance.

Senate Bill No. 241, a bill to authorize the incorporation of fire insurance companies to insure State and county buildings.

Senate Bill No. 271, a bill to amend subdivisions 44 and 56 of Section 1941 of the Statutes of 1898, relating to the standard fire insurance policy.

Senate Bill No. 332, a bill defining and regulating fraternal beneficiary associations, and repealing all laws conflicting therewith.

Senate Bill No. 477, a bill to amend Section 1966, Sub-section 27 and Sub-section 32, of the Statutes of 1898, relating to the capital of casualty, credit, title and suretyship insurance companies, and its investment.

MADISON, Wis., April 12.—Senate Bill No. 145, to regulate the consolidation and reinsurance of domestic insurance companies transacting the business of life, accident or health insurance, has been read a third time and passed.

MADISON, Wis., April 13.—Senate Bill No. 85, regarding annual statement has been recommitted by the House committee.

House Bill No. 545, "providing for licenses to agent to procure fire policies in unauthorized corporations, providing for a bond to be given by such agents, and for a tax upon the receipts of premiums received for policies so issued within the State, and for the payment of the tax to city, village or town treasurers for the support and maintenance of fire departments," as amended, has been read a third time in the House.

Communications.

The Mutual Reserve Life Insurance Company Again.

To the Editor of the Weekly Underwriter:

The information contained in the communication of "A Policyholder" of the Mutual Reserve Life insurance company in your last issue caused me to examine the notice of the extra call for $90 made on me last month, and find it reads as follows:

> The cause and purpose of this call is to meet your proportionate share, in excess of your contributions to the death fund through stated calls, of the approved death claims of the company during the first six months of the current year, and is based upon the death loss of the entire company and is made in accordance with Section 6, Article VII, of the by-laws and the terms of your policy or certificate.

My "stated calls" last year were made bimonthly for $32.65 each, and there was an extra call, $78.75, in September and another for a like amount in November. "The death loss of the entire company" must be something terrible if my "share" of it "for the first six months of the current year" is nearly three times one "stated call." The extra call for $90 and the amount paid within the previous eleven months equal nearly fourteen "stated calls," and it appears that there are still nearly $800,000 of unpaid losses and a decrease of $129,919.61 in the surplus, according to this year's statement to the New York Department. If it is a fact that there are no liens against assessment policies in Canada, and the cost is limited to the "net yearly natural premiums for attained age," the officers of the Mutual Reserve Life insurance company are guilty of a misdemeanor, as appears from the following taken from the Penal Code of New York:

> Any life insurance corporation doing business in this State, or any officer or agent thereof who makes any discrimination in favor of individuals of the same class or of the same expectation of life, either in the amount of the premium charged or in the return of premiums, dividends or other advantages, is guilty of a misdemeanor.

The eyes of the world are on the New York Insurance Department, and thousands of policyholders are anxiously awaiting its report of the examination of the Mutual Reserve Life insurance company, and hoping that it will state the facts so clearly that there will be no doubt as to the true condition of the company and the character of its management.

Having had some experience in auditing the accounts and valuing the assets of corporations, I take the liberty of calling attention to an asset of doubtful value included in the annual statement of the company, viz.: "The Mutual Reserve Building, valued at $482,598."

The Mutual Reserve Life insurance company does not own this building, as appears from the following extract from the report on the examination of the Mutual Reserve Life Association by the Insurance Department of the State of New York, dated March 27, 1895, "$408,296.60 of the reserve or emergency fund of the association has been invested in a lease of the property situated on the corner of Broadway and Duane street, where the building known as the 'Mutual Reserve Building' has been erected. * * $44,226.44 of this item was not expended in the construction of the building, but in its equipment for furniture, shades and awnings, salaries of attendants and rent during con-

struction. I have examined the lease, which I find to be for forty years from June 1, 1894, with a proviso that after the first twenty years a new appraisement upon the property is to be made upon the following basis: 5¾ per cent. on the value of the land, and 5¾ per cent. upon 66⅔ of the value of the building."

In the sworn report for the year ending December 31, 1896, "Schedule C," there appears the following: "Amount paid on account of construction of fourteen story stone home office building at the northwest corner of Broadway and Duane street, New York city, $528,022." This is $163,951.84 more than "amount paid on account of construction," and was accepted by the Insurance Department as "real estate owned by the Mutual Reserve Fund Life Association." Is a lease, "furniture, shades and awnings, salaries of attendants and rent during construction" "real estate"?

That a lease, "furniture, shades and awnings," etc., is not an investment sanctioned by the insurance laws of the State of New York appears from the following sections:

Deposit of Securities.—Every deposit made with the Superintendent of Insurance by any domestic or foreign insurance corporation shall be in the stocks or bonds of the United States or of this State, not estimated above their current market value, or in the bonds of a county or incorporated city in this State, authorized to be issued by the Legislature, not estimated above their par value nor their current market value, or in bonds and mortgages on improved, unincumbered real property in this State, worth 50 per centum more than the amount loaned thereon.

Investment of Capital and Surplus.— * * The residue of the capital and surplus money and funds of every domestic insurance corporation over and above its capital, and the deposit that it may be required to make with the superintendent, may be invested in or loaned on the pledge of any of the securities in which deposits are required to be invested or in the public stocks or bonds of any one of the United States, or except as herein provided, in the stocks, bonds or other evidence of indebtedness of any solvent institution incorporated under the laws of the United States or of any State thereof, or in such real estate as it is authorized by this chapter to hold.

There is not a line in the insurance laws of the State of New York which can be construed to mean that the capital and surplus of any insurance company may be invested in a "lease," "furniture, shades and awnings, salaries," etc. The intention of the law is, and rightly so, that the invested funds of insurance companies must be in securities which can readily be converted into cash should they be needed to pay matured obligations.

AN OLD POLICYHOLDER.

NEW YORK, April 11, 1905.

Miscellany.

First Legal Battle in the Arkansas Anti-Trust Case.

(*Little Rock Gazette of Tuesday.*)

The first legal battle in connection with the suits filed by the State against the Hartford and German Alliance fire insurance companies under the Logan-King anti-trust law took place yesterday when the attorneys for the State and the insurance companies spent the entire day in arguing the motion of the defendants to require the State to make its complaints more specific.

The lengthy argument made yesterday on the preliminary motion gave an indication of the legal battle that will come when the vital issues are raised and the cases come to a trial.

The argument yesterday raised the extra-territorial feature of the law, and a large part of the argument was along that line. The attorneys for the State made a hard fight against the proposal to make them be more specific in their charges against the insurance companies.

At the conclusion of the argument Judge Winfield took the matter under advisement, and it will probably be several days before he renders his decision.

The State was represented in the argument by Col. W. L. Terry, W. M. Lewis and Prosecuting Attorney Lewis Rhoton. Attorney General Rogers was present during a part of the time, but was too ill to take an active part in the proceedings. Judge Joseph W. House represented the Hartford, and Col. John M. Moore, Morris M. Cohn and Ashley Cockrill the German Alliance.

Judge House opened the argument, outlining the principal points which the defendants intended to make in their motions. He mentioned the following points upon which it was desired that the State make its complaints more specific:

1. To allege whether the defendants are members of a trust, pool or combination in Arkansas or outside the limits of the State.

2. To allege whether the defendants are members of a pool, trust or combination to fix rates in Arkansas or outside the State.

3. To allege the time when the defendants became members of such trust or pool.

4. To allege to what combination or trust the defendants belong and of whom it is composed.

Judge House declared that he believed these points contain the very essence of the matter, as, in his opinion, although the companies might be members of a combination to regulate rates somewhere else, unless they combine to fix rates in Arkansas it is not a matter in which penalties could be inflicted, as the State has no extraterritorial jurisdiction.

Morris M. Cohn followed Judge House, enlarging on the points made by the latter. Mr. Cohn declared that the State simply alleges the existence of a trust or pool and that this is so vague that the defendants are not prepared to answer. He declared that when persons are charged practically with a criminal offense it must be stated plainly what they are charged with. He contended that inasmuch as the act undertakes to create a new offense not known to common law it is not sufficient to follow the language of the statute. Mr. Cohn contended that the courts have held that the Legislature has no power to punish extraterritorial crime, and that when no damage has been done to property in this State no crime has been committed in the State.

W. M. Lewis opened for the State. He held that the State is only required to charge in the language of the statute, which was done in these cases. He cited authorities to show that this is all that is required in criminal cases, and he contended that the State should not be required to be more specific in a case where only a penalty is attached than in an indictment where a man's liberty is involved.

Col. John M. Moore contended that the defendants simply ask that the facts which constitute the alleged offense be set out and that the State should allege the facts that show that the defendants are members of a pool or trust. He said that they would assume for the purpose of the argument that the act is constitutional, although they intend, when the pleadings are completed, to raise the question of the constitutionality of the law.

Col. W. L. Terry, speaking for the State, contended that it was not necessary to define a trust or pool. He said that it was perfectly clear that the State charged the defendants with being members of a pool or combination, and with doing business in Arkansas, and that it is not necessary to go into particulars. He declared that the defendants know more about the things they belong to than the attorneys for the State, and that in such cases as that the court never requires a bill of particulars.

Prosecuting Attorney Rhoton also spoke for the State, contending that the defendants could not require the State to state specifically the point where the alleged trust or pool was in existence. Judge House and Colonel Moore closed the argument for the insurance companies, occupying the entire afternoon. The argument was largely of a technical nature, and numerous authorities were cited by the attorneys on both sides to sustain their contentions.

In view of the large interests involved in the suits it is expected that Judge Winfield will render a decision on this phase of the question as soon as possible, and that the issue will be raised in the cases within a short time.

Mr. John M. Taylor's Tribute to Colonel Greene.

At a meeting of the directors of the Connecticut Mutual Life insurance company April 7 a committee, composed of Messrs. Thomas Sisson, Colonel Frank W. Cheney, Charles Hopkins Clark, Lucius F. Robinson and John M. Taylor, was appointed to prepare a minute on the death of President Jacob L. Greene. The committee submitted a minute which was written by Vice President Taylor, one of its members, and it was unanimously adopted. The following are extracts from this beautiful tribute to the character and services of Colonel Greene:

We meet today in the presence of a great sorrow, and of a

great thanksgiving: sorrow that we have lost from our presence, for a while, a man we all loved, companion, friend, brother, leader in the administration of the sacred trusts committed to us for the time being, and from our army of members who looked to him for safe guidance a man who stood at the head of the column; thanksgiving that we and they have been permitted to know and share in his life and service of thirty-five years, with its benedictions of manliness and courage, of charity and honor in all things, of right living in the sight of God and his fellow men.

The great deep soul that was a home for all,
Just, eloquent and strong,
In protest against wrong;
Wide charity that knew no sin, no fall.

Teaching us how to seek the highest goal,
To earn the true success.
To live, to love, to bless.
And make death proud to take a royal soul.

Some of us who stood so near to him may now but dimly see the qualities of mind and spirit that will bear their full fruitage only when time has set its seal on what he wrote, and said, and did in the storm of war and the sunshine of peace.

Messages across the land of thoughtful appreciation, honors in wide comment and tender eulogy, the public tributes of personal friends, scholars, men of the professions, and men of affairs, all bear swift witness to the exalted rank which Colonel Greene held in the busy world of action and of thought.

But certain salient points in his sojourn here with us in daily life, born of knowledge, stand forth in a clear light, and invite a word of recognition for the eyes of men who will follow us in the history of this corporation.

The strongest, best thing under the sun this day is character. This is what a man is, says, does and what men think of him and his work when to our eyes it is done.

Whence comes it; from heredity, from opportunity, from environment, from the masterful qualities of forefathers and foremothers, from the gifts of chance for achievement which providentially one may see and grasp, from circumstances that make success possible, from "a divinity that shapes our ends"? Some of these, all of these, may enter into that matchless product of which the world says in its final perfection, "There was a man."

Here Mr. Taylor recounted the incidents in the life of Colonel Greene, his ancestry, his services in the Civil War and his entry upon the life insurance work. Continuing he said:

His theory and practice, his gospel of life insurance, from that time to this, were anchored in the convictions that its sole function was the payment of losses; that its purpose was the sure protection of the family, which was to be guaranteed, beyond peradventure, at the least cost; and that every member of the company had that equal right of mutuality which should be sacrificed to no ambitions, no experiments and no expedients.

Out of his devotion to these cardinal principles and their observance grew controversies, criticisms of methods and men, but always conducted with dignity and in absolute sincerity, and resulting in a demonstration to an interested public that he was right, everlastingly right. Again, he challenged current opinion in advocating a safer assumption of interest earnings on life contracts twenty and more years ago. The wiseacres wrote their prophecies and comments, condemned the suggestion as chimerical and unnecessary and impolitic; but today the leading companies are doing business and measuring their liabilities by the very same or a relative standard which Colonel Greene so urgently and so wisely advised.

But it was to the members of his own company that their long time president stood for all that was safe, right, honest and conservative in the administration of their affairs. They trusted him, honored him with signal expressions of their confidence, and he gave them in return, in each year, a complete account of his stewardship in reports that are classics in the literature of life insurance.

No man in the whole field of life underwriting, by voice and pen, has done more to make things clear to the insurer, to win his confidence, to expose fallacies, to condemn hazardous experiments and wrong methods, and to clothe in a bright light its sure and sacred beneficence, through countless addresses and papers and arguments, which are conceded to be models in thought and its expression.

Little note has been made, in the current comment on his life, of another most important service which Colonel Greene rendered to his country in a crisis in its affairs, when men were halting and divided in opinion and conviction as to the vital question of the obligations of the Government: Should they be made good in a debased currency or in gold? "Bimetallism: Or the Double Standard," "Our Currency Problems," "The Silver Question," "What Is 'A Sound Currency'?" are the titles of some of his notable discussions read in Saratoga, in Hartford, in Boston and in Washington, constituting his unanswerable challenges to the prevalent financial heresies, and they were widely used in the education of public sentiment, in the creation of public opinion, in the battle of the parties resulting in the victory for sound money in the political campaigns.

All this, simply this, and in such narrow outline, may we now make note of in the rounded life of our associate, a recognized leader among men, whom one of his dearest friends, with a fine and close appreciation, calls "the man sagacious and able in matters of finance and of executive administration, the public spirited citizen, the writer and orator always devoting voice and pen to high and generous purposes."

The best asset in a community is its strong men, men of honor, of integrity and courage, of loyalty to church and state, men who stand for righteousness, for charity to their fellows and interest in their welfare, for fair play in society, in civic affairs, in politics, and who abhor subterfuges and chicanery and self seeking.

These are the men of real moral worth, usually unconscious of the influence they carry with them, who give character to a city at home and abroad, and whose conspicuous virtues and abilities make them mighty forces amid the general multitude. No one who knew him, here or elsewhere, questions that among these men of power stood Colonel Greene. All accord to him that distinction.

In the church, in the diocese of Connecticut, in its conventions, he was "the representative layman"; in the schools of learning he was the wise counselor and ready helper and capable administrator; in the many corporations and associations—financial, charitable, educational, historical, social, civil, scientific—which honored him with membership, he honored by a study of their opportunities and needs, by a personal and practical interest in their affairs, by the full discharge of his duty in the light of loyalty and wisdom and wide experience.

Among the young men he was a guest of honor, their friend, their sure counselor, who found, in his love and tenderness, in his knowledge of their weakness and strength the open pathway to the heights that gave them a clear outlook on the life that was worth living. At the Workingman's Club and at the home of the man who toils with his hands that the man who toils with his head may the better succeed, and so render the highest service together, he was ever a welcome visitor, and no deserving man in distress ever went out from his presence with an empty hand.

When his predecessor in the presidency of this company, Major James Goodwin, died, endeared to all who knew him, in his tribute to his memory Colonel Greene said:

Wise counselor, faithful servant, loyal friend, courteous Christian gentleman. In the fullness of years and of labors, with duties done and trusts fulfilled, with no backward longing and in great peace, he has his reward.

To us who stand beside his vacant chair there is the grief of a loss we cannot repair, and a heavier burden, lacking his sustaining strength; but there is also a memory that shall teach us wisdom, and an example of spotless integrity and unswerving fidelity that shall never grow dim.

And when our distinguished associate, Gen. William Buel Franklin, left us, in his memorial of him Colonel Greene said this:

So quietly and unostentatiously was all his work done that only upon a full and detailed survey can the great magnitude of it all, and the great importance of its many parts and the invariable high standard of its excellence, be appreciated. But those who knew the strength and uprightness of his mind and character, the kindliness of his heart, his noble simplicity and personal dignity, his ready devotion to every patriotic interest and duty, the loyalty of his nature and the purity and unaffected piety of his life, know that one of the bravest of gentlemen, one of the purest of patriots, one of the most cherished of friends, and one of the knightliest of men, has answered to his name.

What he said both of his friend and of his comrade of many years, we this day say of Colonel Greene, and add in love, in honor and in tender recollection, these words:

Who reverenced his conscience as his king.
Who spoke no slander, no, nor listened to it.
* * We have lost him, he is gone.
We know him now; all narrow jealousies
Are silent; and we see him as he moved.
How modest, kindly, self accomplished, wise,
With what sublime repression of himself,
And in what limits and how tenderly!
* * But through all the tract of years
Wearing the white flower of a blameless life.

Death of Bloomfield J. Miller, Actuary of the Mutual Benefit Life Insurance Company.

Mr. Bloomfield Jackson Miller, vice president and mathematician of the Mutual Benefit Life insurance company, died quite unexpectedly at his home in Newark, N. J., on Tuesday morning. He had just returned from a visit to his daughter at Charleston, S. C., and had been in unusually good health and spirits. He was taken ill suddenly on Monday night and died the next morning at 10:30 o'clock.

Mr. Miller was born at Newark, N. J., December 31, 1849, and was the son of Elias Newton Miller. He was educated at Newark Academy and Rutgers College, graduating in the scientific class of 1868. He entered the mathematical department of the Mutual Benefit Life in 1867, became actuary in 1871, mathematician in 1882, second vice president in 1894, vice president and mathematician in 1902. He was a charter member of the Actuarial Society of America and was president of the society in 1897 and 1898 and since then a member of the council. He enjoyed the well deserved reputation of an actuary of great ability and influence and was well known and esteemed throughout the life insurance world. He was the author of numerous contributions to actuarial literature. His qualities of heart and mind endeared him to a wide circle of friends, among whom were all his associates in his own profession. One of them, Mr. Miles M. Dawson, writes of him finely in this strain in the *Chronicle:*

The announcement of the death of Mr. Bloomfield J. Miller, vice president of the Mutual Benefit Life insurance company, which took place suddenly on the 11th inst., at his home in Newark, N. J., removes from our world a man whose life and talents were all devoted to the realization for his company of the highest ideals of justice and fair dealing. It is an argument for the inerrancy of the doctrine of personal immortality; for what sort of madness would it be that rules the universe, were powers and purposes, such as his, to be wiped out altogether? Somewhere there was greater need for him.

It is hard to consent that here his work was done; but he lived to see, as the fruit of his labors and those of his official associates, the name of his company gleam praeclarissima in the firmament of life insurance. He lived to see his principles triumph, to show that liberal treatment of policyholders is profitable as it is just.

It must be that others can safely be trusted to build upon the foundation which he laid so carefully. That is the philosophy of life which alone makes it possible to view with any sort of resignation the procession of the generations of men through this, our world.

The following tribute to Mr. Miller on behalf of the company comes from Mr. A. A. Drew, editor of the company's paper, the *Pelican,* and appears in its April number:

Bloomfield J. Miller, a true, just and genial man, passed into the other life Tuesday, April 11, 1905, in his fifty-sixth year.

On God's roll of the truly great his name is surely written. His intrinsic rank among men, both in business and private life, was of the highest. He kindled high thoughts and noble purposes in many who had the pleasure of intercourse with him. The sovereign elements of friendship, manhood and gentleness were peculiarly united in him, and gave him private entrance into all minds and hearts. He believed that the only way to have friends was to be friendly. Endowed with a versatile and master mind, his counsel was widely sought and highly valued. His personality made his great talents trusted. His quiet spirit of honor embellished his daily life and gave him the respect and the homage of thousands of true friends, who sincerely mourn his loss. Fortune will not supply to every generation a man so well appointed for the advanced and original work he did for the institution of life insurance, nor a man so unselfish and so magnanimous. He left this world better for his having lived. His demise is an event which will be widely deplored, but his loss enhances his sterling worth.

"The tissues of the life to be
We weave in colors all our own,
And in the field of destiny
We reap as we have sown."

Mr. Miller is survived by an only daughter, who is the wife of Dr. William Patterson Cornell, of Charleston, S. C. Mrs. Miller, who was Miss Sarah M. Coates, died in 1881. The funeral services over the late actuary were held at Trinity Episcopal Church, Newark, yesterday afternoon.

The Relationship Between the Field Force and the Home Office.

In a recent address before the Binghamton Life Underwriters' Association A. B. Howe, assistant general manager of the Security Mutual Life insurance company, said:

I take this subject for the reason that I have spent several years in the field as a solicitor. I know from experience what the field man has to contend with. I know the discouragements that often beset one in his search for applications that will pass the eagle eye of the medical director. I have often experienced the effect of a letter from the home office; if the letter is one of encouragement it enthuses and braces one for the fray. If it is a letter of censure for some supposed shortcomings, I can appreciate how it destroys confidence in one's self, engenders a certain bitterness which time alone will eradicate. On the other hand, I am familiar with the conditions that obtain at the home office, having for the past twelve years been in close touch with the agency force, through an official position, and having been in daily receipt of unnecessary letters from the field. Letters that never would have been written had the agent studied his rate book, his manual of instructions, and with the knowledge obtained from the two made use of his brains.

It is my purpose to offer a few pertinent suggestions, which I hope will be accepted in the spirit in which they are offered, and trust that among them each of you may get some suggestions which will prove of value in the future.

The new agent embarks in the life insurance business having many ideas of his own culled from inexperience, and within a week or ten days he begins to give the home office advice as to how it should conduct its business. Such a man must be treated kindly, thoughtfully, courteously, whether his suggestions are of value or not. The home office official should, if the suggestions are good ones, compliment him for them, and the home office can sometimes make good use of them. If the suggestions are not good ones the agent must receive a letter which will convey that intelligence in such a way as not to act as a damper upon his enthusiasm or make him feel that his suggestions are not appreciated. The agent can often from his experience cull valuable ideas which may be useful at the home office. In fact, if a student he can make himself so valuable to

(*Continued on page* 376.)

New York Life Insurance Company—Its Sixtieth Anniversary—Special Report of the Executive Committee.

To the Board of Trustees—In commemoration of the anniversary which this meeting marks, your committee respectfully submits the following reflections:

Exactly sixty years ago today, namely, on April 12, 1845, the board of trustees of the Nautilus insurance company (which became the New York Life insurance company by virtue of an act of the Legislature in 1849) met for the first time.

The fiftieth anniversary of that meeting was appropriately observed, and a proper record made in the minutes of the board.

The officers of the company are now preparing a celebration of the sixtieth anniversary of that first meeting, by a convention which will include, in a program covering several days, appropriate action by this board, by the various departments of the home office, and by representatives of the company's field force from all over the world.

Your committee deem it proper, notwithstanding the entirely adequate and appropriate celebration which is to come, to call attention briefly here and now to the work accomplished by the New York Life insurance company during the past ten years.

The first half century of the company's existence closed a period of remarkable success. Beginning substantially without resources, when life insurance in this country was in the experimental stage, the company steadily grew, through financial panics and the throes of Civil War, until, at the end of fifty years, it was one of the leading life insurance companies of the world. On its fiftieth anniversary it recorded with satisfaction and pride that its total net income was over $36,000,000 per annum, its accumulated funds $150,000,000, and its insurance in force over $800,000,000. The present administration had then been in office three years. It is not necessary here to review the circumstances which preceded and accompanied the election of John Augustine McCall to the presidency of this company. It is sufficient to notice that, notwithstanding the company's brilliant success up to that date, notwithstanding its abundant solvency and strength, in that part of its organization which touches the public (whence come substantially all the elements of growth in life insurance) the company was deficient. The task which confronted President McCall was akin to that of re-enlisting an army, organizing it upon a new basis, supplying it with new and modern weapons, changing its tactics and drill, and, at the same time, pursuing a victorious march through an enemy's country. Ten years ago, when the half century was reached, the company was in the midst of this struggle and of these changes.

Within the intervening time the company has not only been made over in its methods of work, but it has achieved a success which, both in extent and in character, has probably never been surpassed in the history of business. In methods of securing business, in the relations between the company and the field force, in the internal machinery of an office equipped to carry easily an almost unlimited burden, in the attitude of the corporation itself toward its constituent members, and to a large degree in its theories of investment of the policyholders' money, the past ten years have placed the New York Life insurance company in a class by itself. As shown by a table which we append, the results of the labor of the past ten years have exceeded those of the previous fifty years as follows:

In income, $160,530,109;
In amounts paid to policyholders, $55,000,000;
In assets accumulated, $66,636,718;
In gain in insurance in force, $302,000,000;

and the income of the sixtieth year alone exceeded that of the fiftieth by $60,000,000.

	First 50 Years.	Past 10 Years.	Excess of 10 Years over 50 Years.
Income	$447,733,000.00	$608,263,109.00	$160,530,109.00
Paid policyholders	199,987,073.32	255,028,380.16	55,041,316.84
Gain in gross assets	162,011,771.00	228,648,489.00	66,636,718.00
Gain in ins. in force	*813,294,160.00	1,115,315,148.00	302,020,988.00
Income last year of period	36,483,313.53	96,891,272.32	60,407,958.79

* Includes outstanding unpaid business.

We, therefore, congratulate the officers of the company at this time that they have so faithfully and brilliantly executed the mandate received from the board to go forward in their work; and we congratulate the board on the farsighted wisdom which secured such an administration and then so generously and unhesitatingly supported its plans.

It is a matter of record that the standing committees have given ungrudgingly and without stint of their time to the consideration of the important questions incident to the development of the company. To these questions they have brought large experience and ripe judgment. That decisions have been wise and mistakes few is due, in large measure, to the sifting of opinions and the sharpening of minds brought about by full and considerate discussion in the committee room.

In the latter part of 1895 the company published a history showing in outline the labors and the results of the first fifty years. We are glad to observe that the officers have arranged for a similar publication, covering the period from 1895 to 1905, inclusive. In this way the company gathers up and preserves the record of the rapidly passing years, and makes permanent the story of the labors of the board of trustees and of the executive staff.

A glance at the rapidity with which the membership of this board changes will show the propriety and impressiveness of this record. Of the twenty-one trustees composing the board at the end of the preceding administration, only three are living. Of the twenty-five trustees who made up the board ten years ago, only twelve are living today. Of the eight elected or executive officers ten years ago, only three survive. The history of this board and of the executive staff, as well as the history of the company's constituent members, is at once a demonstration of the value and of the uncertainty of life, which are prime factors in the life insurance problem.

We desire also to record our increasing sense of responsibility in the administration of a business which comprehends the whole civilized world in its activities, and includes the investment and preservation of sums of money which promise soon to outrun in their totals anything hitherto entrusted by the people to any body of men.

In our program of government, and in the modern program of business, the most genuinely useful institutions are those which best serve the people. The gravest problem facing this and all similar corporations is how to conduct its affairs so that the people who own it shall believe in it, and not fear it because it is a corporation and of great size. In the solution of that problem lies the highest future usefulness of this company. Therefore, we commend the policy of an open ledger; we believe in the value of international supervision; we commend a rule under which information, when sought, is sent promptly to policyholders, and we especially commend a form of annual statement which is a real exhibit of the company's financial standing.

We recognize a long advance already toward the ideal set up by President McCall at the beginning of his administration: "A company of the policyholders, by the policyholders, and for the policyholders."

We believe that everything pertaining to our company today promises a nearer approach to that ideal, and, therefore, to the best and widest usefulness.

All of which is respectfully submitted.—D. P. Kingsley, chairman; Thomas P. Fowler, A. G. Paine, James Stillman, Norman B. Ream, Clarence Mackay, Henry Walters, executive committee.

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the home office management that, when the time comes, he will be called up higher. Some of the largest salaried officials connected with our great companies were first field men, and I am not sure but in this group of keen eyed, pleasant faced gentlemen there is a future life insurance president.

In your correspondence with the home office be brief, treat each subject separately. Do not write on two or more subjects in the same letter. By observing this rule you will oftentimes save unnecessary delays. One subject is a matter for the medical department; another for the secretary, or general manager. If each subject is treated separately, the letter when received goes directly to the department to which it belongs, and will then receive prompt attention. If two or more subjects are treated in one letter, that letter will go from one department to another, and oftentimes an answer to some portion of it will be delayed several days, or mayhaps overlooked altogether. Do not write the home office regarding your several prospects and the time when you expect to secure signatures on the dotted line. Letters are often received cover-

ing several pages containing the names of all the parties interviewed during a week or ten days' time, the family history, the possibility of acceptance or rejection, a statement to the effect that competition is strong on those particular cases and that everything will be done to secure the applications, but—the other fellow may get them. Such letters may relieve the agent writing them, but they are of no value at the home office. The thing that counts there is the application properly filled out, signed and examination made, and in securing these applications the agent can often save medical examination fees and much unnecessary annoyance by a careful questioning of the applicant to ascertain family history, past ailments, present environments, etc., items that if known to the agent at the time application is solicited would deter him from subjecting the company to the expense of a medical examination. From my own experience I believe there is more correspondence over rejected risks than over accepted applications, and the average rejections of the life insurance companies vary from 10 to 17 per cent. of the total business submitted.

When you have an application rejected do not write the president, the vice president, the secretary and actuary, asking each in turn to take up the particular rejection with the medical department and endeavor to induce the medical director to reconsider his, to you, unjust rating of your good risk. Such letters always find their way to the medical director and help to fill his letter files, already overflowing with letters of this kind. All applications when received have most careful consideration. The medical director is not an obstructionist; he holds his position for the purpose of protecting the company against an abnormal death rate. He is fortified by statistics gathered from the experience of many companies covering years of business and hundreds of thousands of lives, with occupations and diseases classified so it is possible for him to tell to a fraction the mortality experience in any occupation, as well as the mortality experience among classes giving a certain family history, or having a specific clinical record. The business of life insurance is one of averages. If a thousand lives having certain physical defects show a mortality in excess of the tables, while another thousand lives without such physical defects show a mortality below the table, the medical director will in all cases qualify against the applicant showing such physical defect. The representative in the field finds a prospect, discusses life insurance with him, solicits his application, and so far as the agent can tell the man is a perfect physical risk. He may discover by skillful questioning certain points touching the case, which in his opinion are trivial, but which to the practiced and educated eye of the medical director are storm signals, and must be observed by him.

Therefore when receiving notice of a rejection of one of your cases do not attempt to lobby that case through by long continued and voluminous correspondence, but accept the inevitable, unless the rejection is due to adverse reports relative to habits, character, etc., which report you are in position to satisfactorily refute. Even then much valuable time is lost, and it were better to drop the matter and look for another applicant who may be acceptable. Oftentimes an agent writes the home office that his rejected applicant is a very prominent citizen, a man of wealth, having a large influence, which can, if the policy is issued to him, be used to the great advantage of the company and himself; that already several prospective applicants are waiting for the decision of the company in the case in question. Such statements do not help the case. A reputable life insurance company would not insure the President of the United States if his examination showed him to be an impaired risk and not safely insurable.

It is not my purpose in this little talk to be, in a way, dictatorial; in my personal correspondence I endeavor to avoid being so. A company is dependent upon its agency force for success. A contented agency corps is a continual joy to the home office officials; and, therefore, the home office is always doing its best to instruct, encourage and uphold the men who are fighting the battles in the field, and there should exist between the agent and the home office a cordial feeling which nothing should be allowed to ruffle. Do not get it into your head that the officer who writes you a sharp letter does so intending to hurt your feelings, for such is not the case. The multitudinous duties of the official make it necessary for him to be brief, succinct, direct, and when he calls you down he does so in the kindest of spirit, hoping that the jar will not be severe, but that it will be accepted as a guide for future action in similar cases. The man who repeats an action for which he has been censured lacks in honesty, integrity and mental discernment. The official always calls an agent down for his own good—the agent's, not the officer's. Cases can be multiplied for illustration, but I do not believe it necessary to go into details tonight. Much more could be said along this line; we will leave it for some other time.

In closing I want to say that the profession in which you are engaged—and it is a profession—is a most honorable one; you are entitled to the respect and consideration of the best business and professional men with whom you come in contact. Be courteous. Today we are alive, tomorrow dead. Study to make yourself an enthusiastic, earnest worker in the good cause in which you are engaged. Do not become pessimistic; always be optimistic. Your labors for today may not have borne the fruit you expected, but tomorrow is before you; it may have a harvest awaiting you. Accept your disappointments philosophically. The man whose countenance shows a lack of confidence and whose voice a tone of indecision will meet failure more often than success. Eugene Ware, the late Pension Commissioner of the United States, is a well known poet. He has written a little verse which has been an inspiration to me; one which you can learn and use to good advantage. It is as follows:

Life is a game of whist; from unseen sources,
The cards are shuffled and the hands are dealt,
Blind are our efforts to control the forces
That, though unseen, are no less strongly felt.
I do not like the way the cards are shuffled,
But I like the game and I want to play,
And through the long, long night will I unruffled
Play what I get till the break of day.

This Week's Events in Equitable Life Assurance Society Matters.

Last week's paper contained the statement of the board of directors of the Equitable Life Assurance Society that an amended plan of mutualization had been adopted, and that a committee of three, composed of Messrs. Depew, Belmont and Kretch, had been appointed to consult with the Superintendent of Insurance, after the amended charter shall have been approved by him, and with the policyholders' committee, of which John D. Crimmins is chairman, as to certain suggestions toward filling vacancies in the board of directors and vacancies in the executive committee thereof, to be created by the resignation of present members. Also that a committee of seven, consisting of Messrs. Frick, Bliss, Mills, Harriman, Ives, Hill and Ingalls had been appointed, charged with the duty of thoroughly investigating and reporting upon the present management of the society.

A copy of the amended charter was duly filed with Insurance Superintendent Hendricks this week, but he had taken no action in reference to it at the time of our going to press.

The Attorney General stated on Tuesday that he would await the result of certain legal proceedings instituted in the Supreme Court at Brooklyn on behalf of one of the stockholders of the society before taking up any matters connected with the mutualization plan and the proposed amended charter.

Meanwhile the investigation of the company's condition by the New York Insurance Department is going on.

A report that the insurance departments of Massachusetts, Wisconsin and Minnesota would begin an independent joint examination of the company was emphatically denied by Commissioner Cutting, so far as Massachusetts is concerned. He observed that the company seems to be getting all the investigation it needs just at present, and that it would be decidedly improper to saddle it with the expense of additional official investigations.

The one cent daily papers continued during the week to print the usual ghost stories and cartoons.

DEMAND FOR INFORMATION BY THE COMPANY'S COMMITTEE OF INVESTIGATION.

On Tuesday Mr. H. C. Frick, chairman of the committee from the directorate appointed to investigate and report on the present management of the society, sent the following communication to President Alexander:

The committee of seven, appointed April 6, 1905, by the board

of directors of the Equitable Life Assurance Society of the United States and "charged with the duty of thoroughly investigating and reporting upon the present management of the society," and of which committee I am chairman, has instructed me to request from you at as early a date as you can, and in writing duly verified by yourself and the heads of the respective departments, the following desired information as to the management of the society:

First—A copy of the present payroll of the society, with a statement showing in detail and at length the following facts:

The name of each and every person who is in receipt of any salary or wages or compensation of any kind from the society, and the amount of such salary, compensation or wages paid to each, and when and how and to whom paid, with a copy of the form of the respective vouchers (if any) used in the payment, and the form of the receipt given by the party receiving the money.

The date when each of said persons was first employed, the capacity in which each was and is employed, the duties of each and the name of the person or persons who employed each.

If there has been any increase in such salary, wages or compensation, state the increase—when it was made, by whom it was made, and why it was made. If any one of such employees has any business relation with any other company or corporation in which the society has stock or any interest, then give the name of such employee, his position with the other company or corporation, and the compensation he receives therefor. If any employee in any shape, manner or form receives directly or indirectly any perquisites from the society or such other corporation or company than his salary or stated compensation, give the amount of such perquisites—why and how received, and for how long the same have been received, and what officer of the society authorized the same.

Who of the employees are related by blood or marriage to any one of the directors or principal officers or heads of departments, and the degree of such relationship, and the officer or head of department to whom related.

If any such persons are employed in services outside of the offices and ordinary departments and agencies of the society, please give at length the facts connected therewith, showing the name of the person, the name of the one who employed him, the reason for the employment, and the salary paid to him, and how long such employment has lasted.

By the word employee I intend to designate all persons from the president of the society down, and including the highest and lowest employees, male and female, and the highest and lowest officers of the society, and all others whose services are or have been professional or otherwise, and all the trustees and directors and stockholders of the society, and every person who in any way, or for any reason, or on any pretext has received any of the money or property of the society since the 1st of January, 1900, down to and including April 1, 1905, not, however, including policyholders or the regular soliciting agents of the society.

Second—Also a detailed statement of all money or other property of the society paid out by the society since January 1, 1900, to or for or on account of any such employee, including all officers, trustees or directors of the society, for or on account of any traveling or other expenses of any kind whatsoever by such employee, officer or director incurred, showing on whose account the same was paid, when it was paid, who paid it, who authorized it to be paid, and why it was paid.

Third—Also a detailed statement of the holdings or interest of the society in the Mercantile Trust Company of New York, the Equitable Trust Company of New York, and the Mercantile Safe Deposit Company of New York, and also in any other trust, or title, or safe deposit company, or bank, or banking company whatsoever. With this statement please give the date when each holding or interest was acquired, by whose authority, and how it was acquired, and what was paid for the same, and from whom the same was acquired, and to whom the payment was made.

Fourth—Also, copies of each of the leases or contracts by which the society leases to any other corporation or company any portion of its holdings on Broadway, New York city, with a statement of who authorized such leases and through whom each was respectively made.

Fifth—Also a statement of all the loans of any kind since January 1, 1900, made by the society to any one of its said employees, including its officers, directors and trustees, and a statement showing who authorized the loan, by whom the loan was negotiated, to whom it was made, in what form made, for how much, how it was and is secured, and what the rate of interest and evidence of indebtedness are.

If any such loans have been paid, date of payment, to what person paid, and by whom paid.

Sixth—Also a statement of all dealings since January 1, 1900, of any kind by which any broker or brokers or firm, corporation or individual has sold to or for the society any stocks, bonds, or securities or property of any kind, including all the so called underwritings by the society, and here give the name of the broker or firm or corporation or individual, the property sold to or for the society, what the society paid or received for the same, to whom it made payment, by what authority it was authorized, and what became of the property and underwriting.

If in any way any employee (including officers, directors and trustees of the society) received any compensation or benefit from any such transaction, please state who the employee was, what he received, for what he received it, who paid it to him, and what officer of the society authorized him to receive it.

If in any way any officer or director or trustee or employee of the society has by reason of and because he was in such relation to the society received from or because of any such transaction any money or other thing of value, please give us his name, what he received, when he received it, and from whom he received it.

Seventh—Also a statement of the contracts or terms on which the society employs its leading agents in the different cities of the United States and abroad, and a compilation showing for each year since January 1, 1900, the practical result to the society from each of such agencies.

Eighth—In the forty-fifth statement of the society, dated December 31, 1904, there are two items of disbursements as follows:

Commissions, advertising, postage and exchange	$7,900,285.73
All other disbursements	7,179,318.42

You will please give us all the items and vouchers which make up each of said totals, and such information as will enable us to fully comprehend why each sum was spent, and to whom and for what it was paid.

Ninth—Also a statement showing in detail the losses, if any, to the society since January 1, 1900, on any property of any kind purchased by it, giving the names of the persons who sold the same to the society, the sum for which the property was so sold to it and paid for by it, when it was so sold, and who of the society authorized the purchase and sale, or either.

Tenth—Also a statement showing any transactions of any kind other than designated in Paragraph 6, by which any officer, director, trustee, or employee of the society has irregularly or improperly received money or other valuable thing from the society outside of and not part of his regular salary. If any such there be, give the details and the names of the persons.

Eleventh—Also a monthly statement from January 1, 1900, showing the cash balances of the society, and where the same were and are deposited, and the terms of each deposit.

Twelfth—The foregoing requests are intended to, and we think do, cover all the charges and countercharges made by or against any of the officers, directors, trustees or employees of the society, but if anyone has any information or knowledge of any other act, matter or thing done, or permitted to be done, by any officer, director, trustee or employee of the society inconsistent with the best interests of the society, or unfair toward any officer, director, trustee or employee thereof, the committee will take up and investigate any such matter on being informed of the same by you or any other officer, director, trustee, or employee, or stockholder, or policyholder.

The committee does not intend to limit its investigations to January 1, 1900, but it has thought best, owing to the magnitude of the work necessary to be done, to indicate at present that date in the above inquiries; but if you or any officer or any head of department know of any transaction of any kind prior to that date which in his or your judgment requires investigation, we shall be glad to hear from you and promise you to examine the same.

We request you to notify all employees of the society that no one need fear to fully and frankly inform the committee of any facts within his or her knowledge touching the matter of our inquiries. We will see that no such person suffers for giving us information.

We intend to investigate the entire management of the society. The information we receive from you and through you from all the other officers of the society and heads of departments and employees will be thoroughly analyzed and tested, and, in addition, we also intend to make separate and independent examinations of our own and by our own experts.

Our work will be thoroughly done, and any officer or employee of the society can now best serve it by helping us to make the most complete examination possible of its affairs.

We request you to send a copy of this letter to all the officers and heads of departments of the society.

Promising you such assistance as you may need in gathering up and securing for us the above desired information, and with the added request that if it so happen that you cannot on any one or more points give us the information desired that you will indicate the same to the committee with the suggestions as to how it may be obtained. HENRY C. FRICK.

President Alexander has replied to Mr. Frick's letter promising that he will furnish any information in his power and will co-operate with the committee in every way. This information is already being tabulated, but probably will not be ready for several weeks.

PRESIDENT ALEXANDER CALLS A MEETING OF THE AGENCY FORCE.

Two letters have been addressed to the agency force by President Alexander, assuring them of the stability of the company under any circumstances which may hereafter arise, and asking for a conference with them next week. The first letter is as follows:

It seems to me fitting that I should address a few words to you at this important juncture in the affairs of the society.

First—I urge upon you to be patient, courageous and steadfast, as I am convinced that the outcome of present difficulties will be for the lasting benefit both of agencies and policyholders. I know the troubles which beset you and sympathize with you, and you will soon receive evidence of this in the shape of certain appropriate and substantial aid, regarding which Mr. Tarbell will communicate with you in the usual manner.

Let me assure you that, as president of the society, with ample power under our bylaws, our affairs will be administered by me with the most absolute regard to business principles, and you can confidently state to policyholders and those invited to become policyholders that their interests will be sacredly protected. The trials of the past months will be more than compensated for by the years of prosperity which will follow. A substantial form of mutualization is in process of establishment, and all matters criticised are under examination. These matters may be dismissed until the examining bodies have finished their work.

I remind you that, impelled by a sense of duty and supported by the body of our officers, I inaugurated for mutualization. The quite unanimous and enthusiastic support given to this movement by our agents, the policyholders, and the public, confirms me in the course pursued. The delays which made publicity inevitable were greatly deplored by me and have given rise to certain fresh difficulties and obstacles, but you may depend on me to press on with all vigor possible to a final settlement of all pending questions, on the principles of right and justice.

I have invited the managers to meet me in New York on Tuesday, April 18, for a general conference, and feel sure that they will return again to their work with more determination than ever, carrying new inspiration to our loyal and invincible army of agents.

Remember that the unexampled strength of the society has at no time been questioned and needs no demonstration, and that no more decided guarantee for fidelity in its future management could be devised than the searchlight now being thrown upon its administration. Having been identified with the society from its infancy, and familiar during nearly forty years with the needs, trials and struggles of the agency force, I feel that I am able to enter into your life and appreciate your situation in a way which would not be possible for anyone with brief experience or without the practical knowledge involved in a life spent in the service of the Equitable.

If through long and faithful service I have earned your confidence, I ask for and count upon the total and energetic support of every man in upholding the highest interests of the society for which we all have labored so devotedly and earnestly.

Mr. Alexander's second letter contains substantially a reaffirmation of the statements contained in the one above given.

BONUS COMMISSION OFFERED BY VICE PRESIDENT TARBELL TO AGENTS.

A circular letter signed by Vice President Tarbell has been sent to general managers of the society or to those having direct contracts with it, offering to all agents the sum of $4 per thousand for obtaining insurance in addition to the commission specified in their contracts. This letter is as follows:

GENTLEMEN—Realizing fully the difficulties under which you are laboring at present on account of circumstances over which you have no control, and understanding that considerable of your time will be taken by interviews with policyholders in giving them the information that they may desire, and that your work of securing business will be more difficult, entailing upon you additional expense, it seems proper that we should do something out of the ordinary at this time to aid you.

We therefore advise you that on all regular business (other than children, endowment, annuities, term and changed policies, single premium and exceptional policies) written and examined from April 1, 1905, to June 30, 1905, both inclusive, and when the first premium is duly paid to the society by August 15, 1905, you will be allowed $4 per thousand (commuted value) as an expense fund, which you may draw in cash at the time of making your settlement as above. This applies to annual premiums. On semi-annual or quarterly premiums you will be allowed $2 or $1 per thousand respectively.

We feel that you will appreciate this evidence of the society's desire to co-operate with you, and that you will work harder than ever to increase your business and maintain the society's prestige in your field.

In order to secure the hearty co-operation of your agents it is, of course, advisable that you be as liberal with them as we are with you, and I have no doubt that you will readily see the advantage of giving them the benefit of the greater part, if not all, of this extra compensation. Yours very truly,

G. E. TARBELL, Second Vice President.

P. S.—I would strongly advise you to write your agents at once on the above lines, and in doing so wish you would adhere as closely as possible to the language of this letter, using the second paragraph verbatim.

SUITS BEGUN BY STOCKHOLDERS.

Application was made on Friday of last week to Justice Maddox in the Supreme Court of New York in Brooklyn by Edward M. Shepard and Henry De Forest Baldwin, counsel for Franklin C. Lord, owner of thirty-six shares of the stock of the Equitable Life, for an order restraining the officers and directors thereof from carrying out the proposed plan of mutualization. Mr. Lord claimed that the transfer of the control of the company from the stockholders deprived them of the right to a certain proportion of the surplus. As a stockholder whose money was used to build up the company he had rights in dividends and surplus which cannot be legally taken from him. To increase the power of the policyholders over his property would be doing him an injustice. Argument was heard by the court on these points on Monday and Tuesday. The following is the principal paragraph in Mr. Lord's complaint:

And the plaintiff further shows that no meeting of the holders of the stock of the defendant has been called to consider the said proposed amended charter; that the said proposed amended charter has never been submitted to this plaintiff or notice given to the stockholders of the defendant. And this plaintiff further shows that any amendment or alteration of the original charter of the defendant except as therein provided would be in violation of the rights and interests of the plaintiff, and that the adoption by the defendant of such proposed amended charter would inflict upon this plaintiff an irreparable damage, the amount of which could not be ascertained, and for which there is no adequate or sufficient remedy at law, and that this plaintiff is remediless except and unless this court by virtue of its jurisdiction in equity shall intervene for the protection of the plaintiff. The plaintiff demands that the defendant, its directors and all of its officers and subordinates and employees shall be enjoined from executing, adopting or presenting to the State Superintendent of Insurance, or filing the proposed amended charter, or any other amended charter, and from doing any other act whereby the plaintiff's rights shall be affected or impaired.

On Monday James H. Hyde was allowed by the court to become a party to this action on the plea that he is interested in the reasons upon which this application is based. Mr. Untermeyer, counsel for Mr. Hyde, stated, however, that he favored the plan of mutualization adopted by the directors last week and was opposed to the demand made by Mr. Lord.

Subsequently Charles W. Morse, owner of fifteen shares of Equitable stock; E. W. Lambert, fifteen shares, and Malcolm

(*Continued on page* 381.)

Life Insurance Business in Wyoming in 1904.

(Compiled from a Statement by the Insurance Commissioner.)

COMPANIES.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Incurred.
Ætna, Hartford	$20,157	$160.810	$5,527	.....
Conservative, Los Angeles	181,704	318,974	13,617	$5,000
Equitable, New York	309,447	946,033	33,831	9,140
Germania, New York	50,000	260,150	12,935	4,002
Hartford, Hartford	45,000	128.600	2,721	1,500
Mutual Benefit, Newark	.....	58.514	1,749	1.177
Mutual Life, New York	400,500	2,690,074	85,236	16,443
Minnesota Mut., St. Paul	362	16.965	724	.....
Mutual Reserve, N. Y.	3,000	80 848	3,163	6,709
National, Montpelier	100,607	282,107	11,892	.....
National U.S.A., Chicago	41,500	61,000	2,686	.....
North. Mut., Milwaukee	167,000	1,084,132	36 522	10,267
New York Life, N. Y.	769,212	4,513,475	168,560	37,971
Pacific Mut., San Fran.	14,465	67,070	2,200	.....
Penn Mutual, Philadelphia	5,000	189,692	6,398	.....
Prudential, Newark	140,639	404,165	15,253	2,000
Prov. Sav'gs, New York	202,720	376,580	13,202	.....
Reliance, Pittsburgh	3,000	4,000	110	.....
Sec. Mut., Binghamton	3,000	9,000	276	.....
Sec. T. & L., Philadelphia	30,248	17,748	848	.....
State Life, Indianapolis	231,000	338,000	8,422	.....
Travelers, Hartford	.....	8,000	210	3,000
U. S. Life, New York	4,000	19,500	349	.....
Union Cen. Life, Cinn.	24.750	29,750	1.884	.....
Union Mut. Life, Portland	153 464	852,947	32,591	11,000
Wash. Life, New York	13 300	31,643	911	.....
Totals, 1904	$2,914,075	$12,949,778	$461,817	$108,209
" 1903	3,393,529	11 874 220	417,800	144.754
" 1902	3,357,987	10,416 992	367,005	106,945
" 1901	1,898,965	7,985,461	287.071	145.898
" 1900	1,842,000	6,782.857	222,497	38.903
" 1899	1,474,527	5,269.741	170,064	77,468
" 1898	791,363	4,482,335	135,940	17,240

Fraternal orders wrote $125,946 in Wyoming in 1904.

Life Insurance Business in Minnesota in 1904.*

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Paid.
Ætna	420	$588,428	3,211	$4,701.485	$175,849	$76,447
Canada	42	205,460	442	1,454,827	45,699	6,190
Connecticut Mut.	77	153,463	889	1,623,063	39,768	57,967
Equitable, Ia.	21	31,500	192	277.413	13,136	1,278
Equitable, N. Y.	767	1,764,621	4,770	13,960,952	491,272	163,522
Fidelity Mutual	232	390,000	1,139	1,863.203	62,144	7,225
Germania	322	517,422	1,801	3,084,964	131,294	42,150
Hartford	454	922,889	840	2.047,137	61,123	22,000
Home	259	345,211	1,122	1,536,370	65,297	10,933
John Hancock	925	1,286,054	2,973	4.587,961	154,867	33,072
Manhattan	130	254,077	666	1,315.493	44.619	13,375
Massachusetts Mut.	118	256,162	1,032	2,306,316	69,896	19,972
Metropolitan	748	485,441	2,141	1,704 819	†205.486	6,847
Michigan Mutual	158	208,039	538	795,055	28,222	1,960
Mutual Benefit	727	1,275,010	5,539	11.787,117	424,485	84,835
Mutual, N. Y.	2,549	4,139,391	12,462	22,946 959	846,200	209,447
National, Vt.	463	913,468	2,201	4,698,161	185,244	33.702
National U. S.	93	279,146	612	725,158	37,700	5,716
New England Mut.	497	765,748	2,185	4,306.966	126 041	48,880
New York Life	3,315	4,903,678	12,880	23,103.270	882,456	157,103
Northwestern Mut.	1,240	2,992 215	12,660	29,887,561	1,068,054	253,771
Pacific Mutual	105	146,383	425	630 657	22,511	6,500
Penn Mutual	332	587,271	1,900	3,858,699	153,975	16,006
Phoenix Mutual	119	183,080	869	1,638,152	73.536	14,416
Providence L. and T	196	523,819	1,280	3,112,045	110,753	7,143
Providence Savings	96	143,479	456	736,677	22,681	1,758
Prudential	867	918,118	2,345	2 875,957	111,697	9,653
Security Mutual	237	868,674	785	1 259,210	87.444	8,600
Security T. & L.	28	42 650	130	177,940	10 055	5,000
State Mutual	295	664,312	1 635	4,678 910	165,870	48.549
Travelers	248	455.096	1,812	4,458,926	135.681	32,446
Union Central	310	516,600	1,707	3,068,929	116.190	10,500
Union Mutual	153	266.574	664	1,112,413	40,052	9,788
United States	54	109,600	287	493 030	15,439	3.820
Washington	115	164,545	1,004	1,533.041	57 266	31,096
Totals	16,832	$27,886,594	85 342	$167,297,237	$5,552.224	$1.495,617
Totals, 1903	16,460	$29,000,914	77,537	$156,429 051	$5.671,611	$1.460.501
" 1902	17,586	30 232,381	73,330	146,975,257	5,356,649	1,356,649
" 1901	14,554	25 435,187	63,872	131.051,272	4 589,193	1.337,793
" 1900	9,745	20,859.805	53,102	114,237,798	3,727.774	1,037,663
" 1899	9,559	19.153,550	48,812	104,593,066	3,380.179	1,014,945
" 1898	8.607	18.458.010	42,870	92 810.487	2,802,328	938, 07
" 1897	7,724	16.039,209	39,977	88 967,404	2,676,272	887,369
" 1896	7,201	15,733 694	37,897	87,527,546	2,515.713	668 534
" 1895	7,875	19,296,702	36,368	86,269,279	2,633,538	745,696
" 1894	8,888	22 042.457	35,078	84,934.563	2,456,742	823,930
" 1893	10,556	25,267.357	34 007	85,987.471	2,424,589	666 474
" 1892	9,909	25,649.226	32,196	82,253,172	2,489,831	706,099
" 1891	9,059	25,269 234	27,270	72,694,655	2,112,477	626.278
" 1890	7,132	20,746,485	23,644	63,345,800	1 940,457	711,141

*Industrial insurance business not included. †Industrial premiums included.
We are indebted to the *Insurance Courant* for the figures of 1904.

Life Insurance Business in Wisconsin in 1904.

(Compiled from the Preliminary Report of the Insurance Commissioner.)

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Paid.
Companies of Wisconsin.						
Northwestern Mut.	2,574	$5,440,876	29,774	$61,728,717	$2,339,186	$772,033
Wisconsin	181	204,406	1,047	1,381,953	47,481	17,500
Companies of Other States.						
Ætna	686	899.205	6,886	9,856,935	391,623	79,127
Central, Des Moines	570	622,212	703	767,612	24,264	1,000
Connecticut Mutual	55	119,298	954	1,928.204	54,757	51,940
Conservative	237	375.317	592	1,724,379	61,415	7,500
Columbia Nat.	3	15,000	3	15.000	153	.....
Des Moines	312	887,500	599	1.453,000	46,078	5,000
Equitable, N.Y.	1,759	3,696,636	7,558	16,438,472	539.141	261,994
Federal, Chicago	175	413,909	393	864,757	26,152	6 000
Fidelity Mutual	217	324,687	1,041	1,814,024	62,439	19,500
Germania	108	149,590	778	1,184,902	48,980	31,209
Home	250	359,392	1,385	2,190,694	90,903	52.235
Manhattan	74	168,560	620	972.071	33,247	13.875
Mass. Mutual	128	221,300	655	1,629,677	66.859	44,500
Metropolitan	25,667	5,940,387	82,956	16,516,852	576,351	108,423
Michigan Mutual	467	468,345	1,742	1,823,563	64,855	11,500
Minnesota Mutual	255	862,005	488	1.586,509	50,200	18.183
Mutual Benefit	412	1.040.151	2.522	5 763,724	219,522	98.079
Mutual, N. Y.	2,625	3,963,617	16,175	28,798,150	.....	321,829
National U. S. A.	296	756,804	1,821	2,143,492	103,652	18,503
National, Vt.	496	681,239	3.351	5,199 643	195,813	33,524
New Eng. Mutual	267	625,537	1.051	2.176.445	77.411	17,893
New York	3,484	5,120,973	18,301	31,536.688	1,182,712	232,459
Pacific Mutual	138	198,801	399	572,686	22,452	1,500
Penn. Mutual	483	1,199,332	2,173	5,143,558	257,216	36,350
Phœnix Mutual	295	493 872	1,870	2,811,017	101,314	32,264
Provident Sav'gs	59	86,150	587	1,162.842	36 039	19,441
Prudential	25,201	5,371.330	81,063	15,949.063	585,798	118,610
Reliance	10	11,000	10	11,000	343	.....
Security L. & A., Va	19	90.000	39	155.000	4,449	.....
Security Mutual	64	82,514	173	251,511	7,995	1,000
Security T. & L.	51	154,879	115	254.032	10,860	.....
Travelers	96	151 303	580	1,058.102	34,856	2.849
Union Central, Ohio	331	616,650	2,752	4,753.597	174,244	29.500
Union Mutual	53	64,410	241	324.209	10,683	3,000
Washington	188	306,501	1,431	2,053,602	75,246	27,005
Totals	68,286	$42 163,718	272,828	$233,995.632	$7.622,692	$2,495,324
Totals, 1903	72,735	$42,328,964	254,197	$219,008,856	$8,107 901	$2,606,618
" 1902	63.447	36 358,694	222,094	196 554 217	7,307.489	1,953,418
" 1901	63.339	34,514,601	198,844	175,969,512	6,593,634	2,303,910
" 1900	64,013	31.624,710	176,757	158 643,689	5,669,955	1,624.842
" 1899	60.251	31 047.463	154.207	144,9~4,114	5,226,946	1,686.120
" 1898	39,396	24.432,128	126,665	126,487,206	4,234,882	1,369,768
" 1897	35.859	20 863.903	111,~31	116,392,989	3,778.467	1,301.737
" 1896	33,570	19,646.454	10 ,225	108.876,506	3.423.581	1,163,251
" 1895	35,876	21,870,198	92,142	103,994,711	3,262,042	1,408,523

Fraternal orders wrote $28,999,950 in Wisconsin in 1904 and had $233,227,23[illegible] in force on December 31.

Fire Insurance Business in Wyoming in 1904.

(Compiled from a Statement by the Insurance Commissioner.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$63.884	$1,221	$779
American Central, St. Louis	72,310	1,234	700
Atlas, London	225,195	4 902	72
Alliance, London	245,300	5,012	57
Ætna, Hartford	142,375	3,151	.....
British America, Toronto	183,758	3,522	138
Commercial Union, London	310,733	8,026	2,483
Connecticut Fire, Hartford	82,084	2,134	88
Continental, New York	201,558	4,197	.....
Fire Association of Philadelphia	566,772	11.164	1,920
Fireman's Fund, San Francisco	889,069	19,255	2,199
German Alliance, New York	108,367	2,491	17
German American, New York	523,115	10,203	2,973
Germania Fire, New York	23,100	524	.....
Hanover Fire, New York	136,197	1,887	56
Hartford Fire, Hartford	374.605	7,141	748
Home, New York	812,068	13,997	8,745
Home Fire and Marine, San Francisco	323,270	7 289	109
Insurance Co. of North America	319,753	6,807	111
Law Union and Crown, London	32.778	639	10
London Assurance Corporation	117.600	2,160	4
Liverpool and London and Globe, Liv.	579,607	13,405	3,009
London and Lancashire, Liverpool	196 900	4 001	285
National Fire, Hartford	350,911	8,454	3,214
Niagara Fire, New York	183,630	4,632	1,550

COMPANIES.	Risks Written.	Premiums Received.	Losses. Paid
Northwestern National, Milwaukee	$48,250	$650	.....
North British and Mercantile, London.	208,228	4,810	$1,091
Norwich Union, Norwich	153,860	3,545	1,766
Northern, London	188,171	4,748	220
New Zealand, Auckland	76,383	1,469	.....
Orient, Hartford	118,025	2,347	61
Palatine, London	85 350	1,885	87
Pennsylvania Fire, Philadelphia	145,343	2,879	97
Phœnix, London	263,459	5,501	5,101
Phœnix, Hartford	136,150	2,552	6
Providence-Washington, Providence	254,195	3,745	95
Phenix, Brooklyn	342,891	8,728	3,202
Queen, New York	121,696	2,590	64
Royal, Liverpool	295,815	5,785	109
St. Paul Fire and Marine, St. Paul	161.071	3,127	33
Sun, London	66,221	934	80
Svea, Gothenburg	191,118	4,006	30
Scottish Union and Nat., Edinburgh	207,098	3,727	2,040
Springfield F. and M., Springfield	395,342	7,738	2,218
Traders, Chicago	114,031	2.434	120
Union, London	132,046	3,209	257
Western, Toronto	202,035	3,025	610
Westchester Fire, New York	34,575	708	.....
Totals, 1904	$11,006,292	$227,632	$46,556
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$11,004,711	$226,936	$87,170
1902	9,434,893	200,980	66,336
1901	9,716,347	196,565	42,992
1900	6,893,412	143,772	44,596
1899	6,606,063	126,032	39,726
1898	6,116,158	123,507	28,310
1897	5,786,908	121,850	37,054
1896	6,907,890	121,083	24,066
1895	6,116,411	124,949	121,181
1894	6,922,024	132,262	51,540
1893	6,664,001	132,467	69,321
1892	6,114,261	114,433	25,070
1891	6,673,206	127,516	46,373
1880 to 1890	50,491,208	876,490	314,737

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 35.1. The percentage in 1904 was 20.5.

(*Continued from page 379.*)

Martin, eight shares, were permitted to intervene, and other interveners represented by Masten & Nichols, of 49 Wall street, are expected later.

A further hearing in the Lord injunction suit was set down for yesterday, but on account of the absence of Mr. Hornblower, counsel for the company, from the city, it was adjourned to Monday next. All the parties have filed briefs with Justice Maddox.

A. E. Woodruff, who represents Herbert G. Tull, of Philadelphia, and other policyholders, is preparing papers in an action to petition the Supreme Court to enjoin Superintendent Hendricks from approving the new mutualization plan and directing him to set a date for a public hearing of policyholders.

Senator Brackett added another to his bills to harass the company on Monday by the introduction of a bill to retire its stock. Allusion to this will be found in our legislative news. On Thursday he petitioned the Insurance Commissioner to ask a series of questions of the officers regarding alleged reckless management of the company.

Respecting the attempted legislation Governor Higgins on Monday night said that the investigation now being made by Superintendent Hendricks ought to be sufficient. He spoke highly of the capacity and integrity of the superintendent.

"There has been no meeting of our committee called, and I do not know of any new developments in connection with this Equitable trouble," said John D. Crimmins Thursday evening. "The Frick letter to Mr. Alexander is very complete. As to the Brackett bill, it does not strike me that much can be accomplished through the Legislature."

Saved by the Scissors.

GLENS FALLS FROTHLETS.

Talking through your hat is liable to make your auditors laugh in their sleeves.

Man is made to mourn, and there are kinds of insurance made to assist.

Sins of commission do not always show in agents' accounts.

Report your new risks to your companies, not to your competitors.

A man who cannot tell a lie is apt to be deceived when he hears one.

Talk is cheap when you use the next door telephone.

Time is money, for money can be borrowed on time—with other collateral.

Some are good because it pays, and some are good for nothing.

A fire insurance president facetiously says: "With good investments valued on the basis of 3 to 3½ per cent. earnings, and with local taxes of from 2½ to 3 per cent., the conflagrations of 1904 have saved us the worry of how to place uninvested assets."

A newspaper gives a glowing account of the work of firemen in rescuing several chappies from a burning clubhouse, describing the very early morning destruction of the building and closing with this significant but evidently unintentional appraisal of the chappies: "In spite of the heroic efforts of the firemen nothing of value was saved."

Those who aim at nothing will have the satisfaction of hitting it.

In the realm of the blind the one eyed man is king.

Good intentions are a kind of asset having no market value.

An agent can be wideawake and not suffer from insomnia.

Fact is often hypocrisy in evening dress.

Age brings wisdom, but often brings it too late for insurance success.

It is generally unselfish in some underwriters to admit that they are self made, when it would be so easy to blame it on Providence, or heredity.

Not all fire claimants who stoop to low down things can be considered stupid.

It may be a mistake to go into the insurance business too young, but it is not likely to be often repeated by the same individual.

It is not always unfortunate that we do not get what we deserve from our associates and fellow citizens.

Cupid may be primitive in dress and armament, but he is an industrious and successful little rounder up of risks, all the same.

The best of your ability today ought not to be a fixed measure for tomorrow.

Pursuing lines of least resistance is liable to lead to undesirable risks.

An insurance man may be built according to good ground and elevation plans, and yet not up to all specifications.

It is better to forget something we ought to remember than to remember so many things we ought to forget.

All mistakes are not reprehensible, but all repetitions of the same mistakes are.

As there are more commercial travelers than traveling salesmen, so are there more underwriting than policy writing agents.

An insurance man who wears a wig puts a false construction on his poll, I see.

Adjust—to make exact, to fit.

Adjuster—one who makes exactions, gives fits.—*Glens Falls How and Then.*

VALUE OF TIME.

Last month our premium writings were $600,000. This, as near as may be, is $10 for each second of working time. It suggests the value of time. Let the indolent man think how much the active man has to do to make up the average!—*Fidelity and Casualty Bulletin.*

The Employers' Liability Assurance Corporation

(LIMITED),

OF LONDON, ENGLAND.

Total Available Resources, $6,816,020.00

$1,971,756.98 deposited in the United States for the benefit of United States Policyholders.

SAMUEL APPLETON, U. S. Manager and Attorney,
71 Kilby Street, Boston, Mass.
EDMUND DWIGHT, Resident Manager for New York State,
76 William Street, New York.

THERE IS

Always a Good Opportunity for

a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK

ITS REPUTATION INSURES SUCCESS FOR
THE INTELLIGENT AND ACTIVE AGENT

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents

32 NASSAU STREET, NEW YORK CITY

The Mutual Benefit

LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905, . .	$93,237,790.27
LIABILITIES, ...	85,918,227.30
SURPLUS, ...	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

INCORPORATED 1799.

Providence Washington Insurance Company.

PROVIDENCE, R. I.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

[FIRE]

German American Insurance Company New York

CAPITAL
$1,500,000
NET SURPLUS
5,841,907
ASSETS
12,980,705

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,
NEW YORK CITY.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
NET SURPLUS	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Sec.

PHENIX INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.
6,561 per day in number of Policies issued.
$1,426,700.50 per day in New Insurance Written.
$114,060.67 per day in Payments to Policyholders and addition to Reserve.
$73,326.81 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$64,270,818.12
Bonds and Mortgages,	33,094,145.00
Real Estate,	16,806,932.86
Cash,	7,323,372.74
Loans to Policyholders,	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.

Reinsurance Fund and Special Reserves,	$112,351,323.00
All other Liabilities,	907,772.25
Capital and Surplus,	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security, $277,290,466.48

Number of Policies in Force, 8,029,906

Amount of Outstanding Insurance, $1,470,424,281.00

Amount of Insurance Issued in 1904, $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

	Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.	
1884	$2,945,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00	1884
1894	18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00	1894
1904	55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00	1904

In its Ordinary Department policies are issued for from $1,000 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

The Agricultural Insurance Company of Watertown, N.Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.

The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey

Home Office: Newark, N. J.

JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men
The Grand Prize was awarded the Prudential at the St. Louis Exposition.

QUEEN

Ins. Co. of America.

NEW YORK.

Promises Pleasingly Placed

In UNION MUTUAL policies. Modern contracts, convincingly arranged, with insurance guarantee, rights and values completely set forth before mention of premium rate. Lengthy explanations unnecessary — every feature plain and simple. Easy to understand; quick to sell.

UNION MUTUAL LIFE INSURANCE CO.

Portland, Maine.

FRED E. RICHARDS, President. ARTHUR L. BATES, Vice-Pres't.

Always a place for active agents who hold business written.

APPLY TO EITHER

EDSON D. SCOFIELD, Superintendent, 180 Broadway, New York City.
THORNTON CHASE, Superintendent, 84 Adams Street, Chicago, Ill.

CHARTERED 1866

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$25,500,000 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488,98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.

HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,
232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President — EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. — BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. — T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

COMMERCIAL UNION ASSURANCE CO.
LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York

Provident Life and Trust Co.
OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

HANOVER
Agencies in all the Principal Places in the United States.

Fire Insurance Company
OF NEW YORK.

SAFETY FUND INSURANCE.

NIAGARA
Fire Insurance Company
OF NEW YORK.
OFFICE: 135 & 137 BROADWAY.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

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PEACE, or at least the nearest possible approach to it, being the one thing needful to rehabilitate the business of the agents of the Equitable Life Assurance Society, they certainly showed a deplorable lack of good judgment in their course this week. Breaking into factions and, with violence and defamation, taking sides, they have aggravated a situation which was already sufficiently ruinous to their interests. They have injured themselves most, for the interests of the policyholders are in no danger and the officers are still drawing their salaries. The general agents should have come to New York bearing olive branches instead of the bludgeons of partisans. Doubtless they could have suggested a *modus vivendi* under which the company might work out of the present trouble had they not frittered away their influence in factional fights. It is not too late to retrace these unwise steps and set an example to official superiors in moderation and concord which would be of value. It is time, too, for the directors to exert such power as they still possess to stop the rioting. The report yesterday that an order has gone out from the directors' room to all concerned to shut down at once should be true, if it is not. Otherwise, as we said last week, a tie up in the courts is to be welcomed as the best situation until conditions have cooled down and the two investigations have had time for completion. We print the week's doings as usual, but it has been a task to sift the essential matter from the vast aggregation of news and rumor that has flooded the town.

TENNESSEE can be added to the roll of anti-compact States in consequence of the passage of the law proposed by the legislative investigating committee on fire insurance rates and introduced at its instance. The pinch has been taken out of the law, however, by an amendment permitting the formation of associations of fire insurance agents in any city, town or county in the State "for the purpose of minimizing expenses by the employment of joint inspectors or experts for preparing rating schedules and designating improvements with a view to the reduction of the cost of insurance," and allowing them to make rates based thereon, which, however, shall be advisory only and not binding on any member thereof. The amendment, we are told by a dispatch emanating from the headquarters of the National Association of Local Fire Insurance Agents, is due to the intervention of the State agents' association. The agents in Tennessee, therefore, have succeeded in securing what was attempted without success this year in Missouri—the throwing of rate making into the hands of the local agents. The Missouri scheme was opposed by the companies, and for that reason was finally abandoned by the campaigners for the abrogation of the anti-compact law. If opposition to rate making by the agents is the settled policy of the companies, it looks as if they were caught napping in Tennessee. The effect of the law otherwise is to oust the jurisdiction of the Kentucky and Tennessee Board of Underwriters in the State. That the companies will ultimately have their own way in fixing the prices of their goods cannot be doubted.

IN a well written letter Capt. John Stephen Sewell, of the United States Corps of Engineers, commends the labors of the Committee of Twenty of the National Board in inspecting the conditions of cities in relation to the fire hazard. But in contending that fire insurance companies are under an obligation to improve conditions, or, to use his own words, "even stock insurance companies should contribute their part to the general welfare," the writer is guilty of the same misconception of the functions of fire underwriting as the legislators who saddle the cost, in whole or in part, of fire departments, fire patrols and State fire marshals on the insurance companies. The means employed of reducing the fire loss are for the benefit of the whole population, whether insured or not. The fire department saves uninsured property and the fire patrol protects the same, while the inquest into the causes of fires serves all classes of the public alike. Insurance, whether done by mutual or stock companies, is but a means of distributing losses. When, therefore, the State obliges it to do something else the cost must be added to the expense of conducting the distribution. The insured pays, in the premiums, the tax which is imposed by law on the insurer for fire marshals, salvage corps and the care of disabled volunteer firemen. He may not know it, but he does, all the same, and he also pays the share which his uninsured neighbor does not pay for this general protection. The work in which the Committee of Twenty is engaged is of the greatest value to the community. The latter, however, pays the first cost of it, although there is ultimate compensation in the improvement.

NOW comes Governor Napoleon Bonaparte Broward, of Florida, with a proposition that the State shall go into the life insurance business. The Governor, in his message to the newly assembled Legislature, dwells upon the vast outgo of money from Florida for life insurance and dilates on the advantages of keeping it at home. Necessarily in such an argument nothing should be said of the fact that the outgo will return, improved with interest, when the policies are matured by death or other modes of expiration. The mastering thought, of the Governor, as of other theorists who advocate Government insurance, is that the business will be a profit to

the State. "May not the State issue policies and receive premiums therefor, and setting aside the proper reserve fund for the safe conduct of the business have a large surplus to be turned into the revenue fund of the State, thereby relieving direct taxation to that extent?" he says. It has been supposed hitherto that the cost of life insurance, being an expense to the provident, the burden should lie as lightly as possible concurrent with safety, and the surplus over cost, if any, should be returned to him. The Governor's idea is, on the contrary, that the provident man's overpayments shall go to the State for the benefit of the improvident as well. The plan of State life insurance is outlined in the message thus:

I suggest that we have an organization sufficient in nearly every detail to commence work, as blanks could be furnished by the Comptroller and sent to the various bonded county officers, they to fill out blanks for applicants and refer them to the proper physician or physicians for examination, the physician to make his report to the county officer sending him the applicant, said application and report of physician, together with the premium, to be forwarded by the said county officer to the Comptroller, he to audit the same, and, if found correct, turn the money and papers over to the Treasurer. Upon the receipt of the money and papers, the Treasurer shall file with the Secretary of State the application and his receipt for the premium, and the Secretary of State shall thereupon issue a policy to be valid when signed by the Governor, and forward the same to the applicant.

It is all so simple. Apply to the county clerk with a physician's certificate and turn in your premium—which must be large enough to provide a handsome profit to the State—and there you are. The worst feature about these propositions in this country to insure by the State is that they do not get beyond talk. It would interest an anxious world to see them tried. Let Florida provide the object lesson.

Facts and Opinions.

The Philadelphia Fire Insurance Society on Tuesday night was entertained by a paper on **fire inspection** by William L. Wensley, secretary of the Middle States Inspection Bureau. Mr. Wensley said in part:

Expert inspectors are not born, but educated. After they are educated they become educators. A superintendent attending to a satisfactory and economical output ordinarily overlooks some of the points patent to the eyes of a trained inspector. Even if his intentions are good, unnecessary hazards creep in, apparatus gets old, like a stovepipe, and causes fire, or becomes inadequate, like a boiler or blower system, and is pushed beyond safety; or is neglected, like a fire pump, from lack of time if assured is busy; or familiarity with danger causes employees to neglect necessary precautions, like proper fuses on electrical circuits. If the danger exists undiscovered, the owner cannot afford to lose the inspection which brings it to his attention for remedy.

The average owner is a man ready to listen to reason. The inspector should keep in mind that the manufacturer is not in business solely to get insured, and that there is a reasonable limit to the sum he can spend for improvements. The ideal inspector is the one who anticipates not only fires from known causes, but those which would have an entirely new origin, or whose forethought points out that which must be looked for in new protective apparatus, such as a future defect in a dry valve. The inspector nowadays to achieve the highest success must be something more than an inspector; he must be a fire insurance engineer. The insurance engineer stands as a factor of safety between the architects and builders and the insurance companies, and between the maker of an appliance and the factory owner who would purchase it. Few such owners know or appreciate it. To some extent he stands between the careless or dishonest manufacturer and the careful and honest one making the same kind of appliance.

The business session of the meeting was postponed until April 25, when the society's first annual dinner will also be held at Boothby's.

The **Provident Savings Life** Assurance Society of New York has announced that after May 1 it will issue **sub-standard policies** in certain cases. The usual premium will be charged, but in the event of death in the early years a deduction will be made from the sum assured to compensate the company for the acceptance of an impaired risk. If the life assured survive a fixed period, and thereby prove to be a satisfactory risk in the individual case, then the sum assured will be paid in full. In general the sum assured will be an increasing quantity, the amount payable at death in the first year and the annual increase in the risk depending upon the extent of the impairment. It is proposed to limit the plan principally to endowment forms with participation, but the endowment period may be anything from ten to thirty years, according to the grade of risk. Loan and surrender values will be granted as in the case of regular issues, and also paid up insurance, but the latter, like the face value of the policy, will have to be suitably modified in the early years. Says the announcement:

It is a well known fact that impaired risks generally have considerable confidence in their longevity, and if the graduating scale is properly explained to them they would be willing to take the chances of death in the early years of the policy in order to reap the benefits increasing with the age of the contract.

The object of this sub-standard plan is not the solicitation of impaired risks, it is explained, but to rescue a class of business which has heretofore been declined. Risks suffering from any active form of disease or intemperate persons will not be accepted, the new policies being designed particularly for individuals with impaired family history, personal history of past disease or those of under average physique.

At a special meeting of the **Connecticut Life Underwriters' Association,** held at the Hartford Club on April 14, Alfred T. Richards, F. Willson Rogers and Fred R. Loydon were appointed a committee to prepare **minutes on the death of Jacob L. Greene,** late president of the Connecticut Mutual Life insurance company, to be entered on the records of the association. In accordance therewith they submitted the following minute:

In the sudden passing away of Colonel Greene the life underwriters of Connecticut have sustained a great and irreparable loss. He stood for so much in the insurance world. All that was sane and strong in underwriting, all that was pure and beautiful in life, all that was helpful and uplifting to humanity, found in him a true friend and fervent advocate. In the arduous and manifold duties of his profession he was entirely actuated by love of righteousness. He was neither a self seeker, nor a time server. Once assured of the justice of a cause, the knightly soldier espoused it—made it his own—and fought valorously in its defense. Fearless he was, too—indeed it may be said of Colonel Greene that he feared God, and he feared nothing else in this world. Wrong he could not brook in any guise. In his inmost heart he felt that "Wrong, though its title deeds go back to the days of Sodom, is by nature a thing of yesterday; while the right, of which we become conscious but an hour ago, is more ancient than the stars, and of the essence of heaven." Colonel Greene's judgments were invariably just, and his covenants always faithful. He lifted the whole profession of life underwriting to a dignity and power the true measure of which we cannot now adequately compute. His words of wisdom and his blameless life will continue to be a source of perennial strength and inspiration to all true life underwriters.

The **Oregon State agency of the Mutual Life,** directed by Mr. W. L. Hathaway, at Portland, has been established only twenty-seven months under his management, but during that time has made the fine record of doubling the company's business in that State, where it has been doing business for twenty-seven years. On January 1, 1903, the Mutual's total insurance in force in the State was $4,057,491, and on December 31, 1904, the total insurance in force in the State was $7,641,988, a gain of $3,583,497. In a congratulatory letter to his agents on their achievement Manager Hathaway says:

I wish to advise you not to attack other legitimate life insurance companies. If their representatives make derogatory statements regarding your business or your company, it is perfectly right that you should

refute them; but when that is done you will best conserve the interests of yourself, your company and legitimate life insurance in general by talking the good points of your own company, and thus setting an example for your competitor to do the same. This course is not only best as a principle but it wins more business. and none of you will have to look far to find an example in some competitor who, spending his time attacking you, your company and your methods, is failing to secure the business himself. So continue to go about your work as you have been doing, with cheerful determination, good will and tolerance towards others, faith in yourself and your company, and by constant and consistent efforts you and this agency will continue to forge ahead just as it has been doing.

The executive committee of the Chicago Underwriters' Association has recommended a material reduction in **rates** on **packing house property.** Action will be taken by the association at its adjourned quarterly meeting, Wednesday. The present schedule makes a charge of 25 cents above the building rate on contents and 10 cents on the machinery, and it is proposed to strike this out. There is some objection to this, but it is held that the Union schedule provides for no differential between building and contents and that uniformity is desired. Some changes in occupancy charges will also be made to reduce some of the unusually high rated risks. Heavy penalizing charges were imposed in the present schedule, with the hope that the segregation of hazardous processes in warehouses could be secured. Many packers say that this is impossible unless they demolish their buildings and construct anew, and if the improvements cannot be forced by the charges they seem to be too high.

Last week Insurance Commissioner Zeno M. Host, of Wisconsin, was notified that one Herman Marohl was soliciting insurance for a concern called **"The Golden Eagle,"** with an office at Stratford, Wis., which gave certain accident and sick benefits for an annual premium of $10, but which has not been licensed by the Insurance Department. Commissioner Host notified the District Attorney of Marathon County, who caused the arrest of Marohl on a charge of violating the law by writing insurance without a license. It is reported that Mr. Marohl is guilty of a more serious offense, and may be prosecuted accordingly. It seems that he has been soliciting business for some time and has collected considerable money, and it is possible that he may be prosecuted under the laws for swindling or obtaining money under false pretenses. It is reported that he secured twenty-six members in Marshfield, Wis., alone, for the "Golden Eagle."

As president of the Mutual Boiler Insurance Company of Boston, **Edward Atkinson** waxes "dreffful sirkastic" over the recently proposed legislation about steam boiler inspection, notably that providing for compulsory inspection of all boilers in the State, whether insured or not, by the State police. "Should such an act pass," he remarks in a circular, "you will be subjected to orders to cool down your boilers at any moment to provide for an inspection, based on the theory that in order to prevent you from blowing up your own buildings and killing your own employees, you should be put under the police power of the State. If you object to this imposition, kindly write to your representatives or senators and reply to this circular, empowering myself and our counsel to oppose this and other very obnoxious acts now pending on construction and use of boilers."

The Attorney General of Arkansas, on inquiry from State Auditor Moore for the Insurance Department, has written an opinion under which the fire companies and their agents will be able to **adjust and pay losses in Arkansas** without fear of prosecution under the King anti-trust law. A week or two ago the Attorney General rendered a contrary opinion, saying that he could not bind himself not to begin action, as the settlement of losses was in plain violation of the law. So many complaints have been received from Arkansas citizens, however, that he has reversed his opinion and has given an emphatic pledge that no company need fear prosecution for carrying on at least that function of its business in the State. A large number of losses due had been held up because of the previous decision.

Reorganization of the Scandia Mutual Life of Illinois has finally been effected, the deal having been put through to suit the Attorney General. Objection was made to the January action on the ground that it provided for consolidation instead of reinsurance, and the Attorney General was afraid that consolidation might interfere with the anti-trust record he is anxious to make. Considerable antagonism was aroused to the reinsurance on the part of members who did not understand the proposition, but after two days' discussion it carried by a good majority. The business is now placed in the Scandia Life, a mutual company on the legal reserve basis. The old assessment policyholders are carried at their original rates so long as there is anything in the surplus fund to maintain their policies.

A letter from Agency Secretary Jackson, of the Security Mutual Life of Binghamton, N. Y., to his agents contains the following graceful allusion to **the return of Spring:**

Concentration of energy produces gratifying results, and by working together with a definite goal in view success will be achieved. Every little counts. A single drop in a bucket may not be of much moment, but a multiplicity of drops are bound to make a big impression. Keep dropping an application in regularly, and before you know it you will have to your credit a substantial volume of business. Never let hope wane. "A stiff upper lip" is essential at all times and under all conditions. There is no easy road to success, and hard work therefore is absolutely essential to attain desired ends. Nature extends to us all—in the shape of a balmy, blossoming spring—a cordial invitation to outdoor activity; so let us take advantage of her offering by springing along at a lively clip, determined to do more business and better business than ever before.

A decision was handed down by the Massachusetts Supreme Court last week, in which the cause for action was the refusal of the Agricultural insurance company to pay the entire value of a **piano destroyed by fire.** Sadie A. Ryan was the plaintiff. She purchased a piano from Frank L. Barnard on installments. She had paid $71 on the piano and owed $204. According to a clause in her lease she was liable to Mr. Barnard "for loss or damage by fire or otherwise," but it was claimed by the insurance company that it was liable to the woman only for the amount she had paid on the piano. In the Superior Court the decision was for the defendant, but was reversed by the higher court.

The **New Hampshire Fire** insurance company has reorganized its Middle department territory by placing Mr. George A. French in charge of Delaware and the east sections of Pennsylvania and Maryland, with headquarters at Philadelphia. Mr. R. W. Lee, of Washington, takes charge of the District of Columbia, and Mr. Smith M. Wilson, late of the Pittsburgh Underwriters, will have headquarters at Pittsburgh for Western Pennsylvania and Western Maryland. The supervision of the Middle department of the New Hampshire has previously been in the care of Mr. E. B. Creighton, who resigned a short time ago to become secretary of the Middle Department Association.

A combination was effected in **Chicago** this week which makes the **largest local agency** in that city. Moore, Janes, Lyman & Herrick, who have always been one of the "big

four," consolidate with Case, Nye, Shepherd & Bowden as Moore, Case, Lyman & Herrick. Mr. Case takes the place in the firm's name occupied by the late John J. Janes, who died several years ago, while of the Case firm Mr. Nye and Mr. Shepherd are out of the business, and Mr. Bowden died a few months ago. The new combination will represent twelve fire insurance companies and several casualty companies, and will lead all Chicago agencies in volume of company and brokerage business.

The **bank at Renfrow,** Oklahoma, which was burglarized on the night of March 17 by Barney Burns, alias Ben Davis, and two companions, was insured in the National Surety Company. Detectives of the company, aided by local police, captured Burns at Arkansas City after a fight, in which the chief of police was seriously wounded. Burns was taken to Pond Creek, Oklahoma, to await trial, and last week broke jail, but was again captured by a National detective. His conviction is regarded as certain, as when first arrested he had in his possession a letter addressed to the bank and some coins and medals which were in the safe before it was cracked.

The **Georgia Industrial** insurance company of Atlanta, an assessment fire insurance company, has been forced into receivership by an action begun by J. N. Bradford, of Pelham, Ga., to recover on a loss claim of $600. Early in March the concern was refused a license by Commissioner Wright, of the Georgia Insurance Department. Part of the assets claimed in its annual statement was $46,628.20, "dues from members not yet assessed." The Georgia laws are very lax regarding assessment companies, and many "fakes" are abroad in that land, though there are a few reliable assessment companies in business there.

A large attendance is expected at the regular spring dinner of the **Boston Life Underwriters' Association,** which will take place place at Young's Hotel next Monday evening. The guests of the evening will be Curtis Guild, Jr., Lieutenant Governor of Massachusetts; Joseph A. De Boer, president National Life of Vermont; Daniel F. Appel, secretary of the New England Mutual Life, and Stephen F. Woodman, general agent at Boston of the Travelers. It is anticipated that the occasion will take somewhat the form of a tribute to Mr. Appel, who was recently promoted to the high office he now holds.

Suit for $20,000 damages has been filed in Chicago by **Frank F. Holmes** against President Teall and eight members of the executive committee of the Chicago Underwriters' Association. They are charged with conspiracy against him in connection with the placing of Cook County insurance last year, out of which grew injunction proceedings that have not yet been decided. The committeemen proceeded against are Conrad Witkowsky, J. M. Wile, S. A. Rothermel, J. J. Van Every, E. W. Lyman, H. C. Buswell, T. W. Letten and John Shepherd.

A recent bill introduced in the Wisconsin Legislature had for its purpose the regulation of the **size of firecrackers** permitted to be sold for Fourth of July and other celebrations. When it came before the Senate an amendment was offered by Senator Roehr that "each firecracker shall be provided with a handle at least 6 feet long." The amendment was lost and incidentally the bill itself.

Thus they while the time away,
For which the people taxes pay.

—*Homer Canavan.*

At a recent meeting of the State and district managers of the life insurance companies that have headquarters at Birmingham, Ala., an organization was formed to be known either as **"The Life Underwriters' Association of Birmingham,"** or "The Life Underwriters' Association of North Alabama." The following were elected officers of the association: W. J. Cameron, of the Washington Life, president; P. C. Ratliff, of the Penn Mutual, vice president; W. H. Stewart, of the Metropolitan Life, secretary-treasurer.

The report of the **committee of twenty on** the status of **Newark,** N. J., relates that the city should have special regard to the conflagration hazard arising from narrow streets and alleys, and that more attention should be paid to protection of window openings. Some changes in the fire department are recommended, also that 8 inch mains should be used for water supply throughout the residential districts and 12 inches in mercantile districts, unless a high pressure is used.

The **Association of Fire Underwriters of Oklahoma and Indian Territory** held its annual meeting at Oklahoma City April 18 and 19, and elected the following officers: John Gibbons, German-American, president; Charles W. Fort, Home, vice president; E. C. Fox, Citizens, secretary and treasurer. A committee was appointed to secure the co-operation of the non-union field men on rates and good practices.

A **bond for $16,000,000** was given by City Treasurer Blocki, of Chicago, on assuming his duties last week. This was furnished by the directors of the various banks in which the city funds are to be deposited. The directors in their turn are indemnified by a surety bond to the amount of a million, of which the new Illinois Surety Company has $100,000, the Title Guaranty and Trust Company $100,00 and the United States Fidelity and Guaranty Company the bulk of the remainder.

A special to the *Journal of Commerce* says that **Insurance Commissioner O'Brien, of Minnesota,** has announced the appointment of Edward Peterson, of St. Paul, as first deputy. D. C. Lightbourn, deputy under the former commissioner, E. H. Dearth, will be retained temporarily as department actuary in recognition of his efficiency. The change takes effect May 1.

The promoters of the **Catholic Mutual Fire** insurance company of Connecticut, who have been seeking a charter from the Legislature appeared before the Insurance Committee this week and announced their willingness to change the title of the company to the Hartford Standard Fire insurance company. There was objection to the former name. A hearing on the subject was adjourned to next Tuesday.

Proceedings have been instituted to place the **Colonial Life Association,** a fraternal insurance organization of Boston, in a receiver's hands. The association was started six years ago, and in the course of its existence took over the Merchants and Manufacturers of Westfield. It recently voted to discontinue business. A hearing on the question of the receivership was set for Friday of this week.

The **United States Steel Corporation** has given the contract for **bonding its employees,** and those of all its subsidiary corporations, to the United States Fidelity and Guaranty Company. The line was previously held by the American Bonding Company. As the steel trust controls scores of minor railroad, manufacturing and other corporations in various parts of the country, the line is a very large one.

The **Syracuse Life Underwriters' Association** has just been admitted to membership in the National Association of Life Underwriters. Pancoast Kidder will be the delegate of the local association to the national meeting to be held soon in Philadelphia. The Syracuse association, which was organized last fall, has received some favorable testimonials from officers of the National Association.

Sears, Roebuck & Co., the big mail order house in Chicago, is putting up the largest manufacturing plant in that city, and proposes to have it a model from the fire protection standpoint. All the shelving, office fixtures, etc., are to be of steel construction and the firm has asked that the Fire Underwriters' Association give it a concession in rate on that account. The matter has been referred to the manager for action.

The **Columbian National Life** insurance company gave a **dinner** Wednesday night at the Auditorium, Chicago, to about 200 agents. Western Manager F. W. Gance was toastmaster, and George H. Hold, resident vice president at Chicago; Vice President Woodbridge, of the home office, and a number of directors from Indianapolis and St. Louis were among those present.

A complaint against the present law for the **investigation of fires in Alabama** is made by Commissioner E. R. McDavid, of the Insurance Department, in his report to the Governor. He claims the law is useless, and asks for legislation. Three investigations were held under the law last year, resulting in one arrest, one presentment to the grand jury, and one utter failure.

The **New Hampshire Fire Underwriters** have elected as inspector general George H. Adams, of Plymouth, to succeed Rufus N. Elwell, of Exeter, who resigned to become secretary of the Capital Fire insurance company of Concord. General Adams is president of the State Senate and a member of the law firm of Burleigh & Adams, of Plymouth, N. H.

The Massachusetts Insurance Department, having discovered that the **Boston Casualty Company,** an assessment organization, was issuing contracts in excess of the amount permitted to it under the statutes, has taken action, resulting in the appointment of N. L. Sheldon as receiver of the concern. It was a short lived affair, having been authorized to begin business last October.

The Kentucky and Tennessee Board has authorized a reduced rate of 16 per cent. for the use of the 90 per cent. **coinsurance clause on mercantile stocks** valued at $10,000 and over in Kentucky cities with public fire protection. A reduced rate of 10 per cent. for the 80 per cent. clause under similar conditions was made several months ago.

Efforts are being made to extend the usefulness of the **National Association of Local Fire Insurance Agents** in the West before the holding of the next annual convention at Denver. Chairman A. P. Ross, of the organization committee, is working on associations in Oklahoma, Indian Territory, Nebraska and other unorganized States.

The Chicago wildcatter, **Walter M. Cowell,** who turned State's evidence in the recent trial of "Deacon" Lowell at Chicago, has been released from jail on his own recognizance and sentenced to pay a fine of $500. It is felt that Cowell's testimony, which was absolute and documentary, alone made possible the conviction of "Deacon" Lowell.

The recently retired general manager of the Washington Life insurance company, **Blair T. Scott,** has brought suit for $53,000 against the company, claiming that amount due for services performed while general agent in Oregon. He came to New York as general manager shortly after the reorganization. The suit was begun at Portland, Ore.

At Guthrie, Oklahoma, Attorney General Simons held last week that **accident insurance companies** are not required to put up the $50,000 **deposit** required of other companies by the law recently enacted in that Territory. The law mentioned accident insurance companies among the rest in the title of the bill, but did not mention them in the text.

The **Travelers Fire insurance company,** recently organized at Pine Bluff, Ark., with a capital stock of $250,000, has complied with the insurance laws of Louisiana and has been granted permission by the Secretary of State to do a general fire insurance business there. W. H. Bovard, of New Orleans, has been appointed State agent.

The **charge of criminal libel** brought **against George J. Kindel,** of Denver, Col., by the Equitable Life, were nolled in the Criminal Court there on Friday of last week, and transferred to the civil division. Kindel published a picture of the late Henry B. Hyde in connection with the pictures of two notorious characters as an advertisement.

The Fidelity and Casualty Company had the bank burglary **policy of the Churubusco bank in Indiana** which was robbed of $8,000 April 13. It has adjusted the loss and is now after the robbers, who are believed to be either in Elkhart or South Bend, and well concealed. The identity of the gang is believed to be established.

At the Ten Eyck, Albany, on Monday, a temporary organization was completed of the **Albany Life Underwriters' Association,** which, when in running order, will affiliate with the national organization. The meeting was called by President John Dolph, of the National Association. Vice President Van Sickle was also present.

The Attorney General of the United States has granted authority to the **Metropolitan Surety Company,** of No. 39 Park row, New York, to transact business as surety in United States matters. The company was incorporated November 16, 1904, under the laws of New York, to do a general surety and guaranty business.

The **twenty-five per cent. penalty clause in Alabama** has been upheld by the Supreme Court of the State on an appeal taken by the Continental. The clause provides for an additional 25 per cent. to the amount the plaintiff may recover in any suit against a company which belongs to an association or combination.

The position of **Ohio special agent of the North America and Philadelphia** insurance companies, recently vacated by the resignation of W. A. Hommes, has been filled by the appointment of Oliver E. Johnson, son of Assistant General Agent W. N. Johnson, of those companies, in the Western department.

The **Western Fire Insurance Company of Seattle,** Wash., has been thrown into the hands of a receiver on the petition of employees, who showed that the concern was insolvent.

It operated as a mutual, and the policyholders will be called upon to pay the accrued claims of $7,000.

The **Illinois Surety Company** has been given its license and is now writing business. The officers are Isaac L. Ellwood, De Kalb, Ill., president; United States Senator Albert J. Hopkins, vice president; Fred M. Blount, treasurer, and W. Herbert Stewart, secretary. Edwin M. McKinney is general manager, and the home office is in the Woman's Building, Chicago.

The **Fire Underwriters' Board of Columbus, Ohio,** has raised its admission fee from $50 to $150. It was felt that the charge was too low and that undesirable material might creep in. A proposition to raise the fee to $300 was defeated by this compromise.

The Chicago surplus liner, **Charles Brock-Jones,** who was arrested on a charge of operating a wildcat agency, has been discharged, the complainant, who claimed that he was unable to collect under his policy, expressing a willingness to institute a civil suit before pushing criminal charges.

The **Alliance of Philadelphia,** which has been writing reinsurance in the South, is to go on the agency basis in North Carolina and Louisiana. Janvier & Moss have been appointed agents at New Orleans. Other Southern States will be entered later.

The managers of the Eastern companies who have been engaged in perfecting a **tornado conference** have made a request to Western managers who have been engaged in a like work for a joint meeting to secure uniformity in this matter.

A Niagara Falls item in the Buffalo *Enquirer* says: "It is understood that several parties are interesting themselves in establishing a **new company in Niagara Falls** for the purpose of carrying on a general fire, life and accident insurance business."

The trustees of the **Insurance Brokers' Association of the City of New York** at a meeting this week elected W. E. Edmister president of the association, John A. Eckert vice president, James Foster treasurer and Percy S. Mallet secretary.

A special meeting of the stockholders of the **Mutual Life of Illinois** has been called for May 17 to take action on the proposed change of name. The Fort Dearborn Life and the Chicago Life are among the names under consideration.

The **Interstate Life of Indianapolis** has been admitted to Georgia and has appointed F. A. Dancy as general agent. Mr. Dancy was formerly agency director of the New York Life in Japan until the outbreak of the war.

The **Albany,** N. Y., **Board of Fire Underwriters** on Tuesday elected the following officers: President, L. G. Ten Eyck; vice president, Charles A. Porth; treasurer, George H. Russell; secretary and treasurer, Franklyn Havens.

The American Birth insurance company, of Boston, applied for admission to Colorado at the same time President Roosevelt arrived in that State. The Denver *Times* looks for a **diminution in race suicide** among the Rockies.

The **Northwestern Accident** insurance company of Everett, Wash., of which E. I. Crawford was originator and president, has failed to meet its death claims and has collapsed. It was a small concern.

The **offices** of our esteemed contemporary the *Chronicle* were **removed** this week from 11 Broadway to 90 William street, for the sake of closer communion with the "Street."

The **California insurance company** has completed its organization by electing H. M. Newell, a marine adjuster, as president, and filling the other offices temporarily.

The **Traders of Chicago** is announcing to its agents its intention of soon entering the co-operating agreement with the South Eastern Tariff Association.

The **Ben Franklin** insurance company of Allegheny, Pa., was admitted to New York last Friday. Edward Cluff, 37 Pine street, is manager for the State.

The **National Union Fire** of Pittsburgh has entered Virginia. W. W. Hardwicke is agent at Richmond and Robert Lecky, Jr., attorney for the State.

The **Security of New Haven** has appointed T. L. Manning general agent for Texas, Arkansas, Louisiana, Oklahoma and Indian Territory.

The **Binghamton,** N. Y., **Life Underwriters' Association** entertained National President John Dolph at a banquet Tuesday evening.

An act to incorporate **Cosmopolitan Life Association of the U. S. A.** is on the calendar in Rhode Island Legislature.

The **Nassau Fire** has been licensed in California, as has also the Eagle Fire of New York.

Personal.

AGENCY APPOINTMENTS.

American of Newark: Middleton & Julian, Dallas, Tex.

Caledonian: E. A. Groover, general agent for Florida; Boyd A. Maize, special agent for New Jersey, Pennsylvania, Delaware, Maryland, District of Columbia and West Virginia.

Calumet, Chicago: Adolph Roquet & Co., general agents for Texas at New Orleans, La.

City of New York: A. H. Main, State Agent, Madison, Wis.

Eagle Fire: A. G. Nason & Co., general agents, San Francisco, Cal.

German of Peoria: Duncan & Rehfisch, general agents, San Francisco, Cal.

Hanover: F. N. Drake, special agent for Kentucky and West Virginia, at Louisville, from May 1.

Michigan Commercial: Frank A. Sawyer, Indianapolis, Ind.

Nassau Fire: J. C. Stovel, San Francisco, Cal.

National Life of the U. S. A.: W. J. Pittman, manager for Central Pennsylvania at Harrisburg.

National Union Fire: W. W. Hardwicke, Richmond, Va.

New York Underwriters' Agency: O. T. Klepinger, special agent for Southern Texas.

North British and Mercantile: Gilbert Geer, Jr., & Co., Troy, N. Y.

Phœnix of Hartford: William Teske, special agent for Missouri.

Rochester German: Sidney H. Tillman, Dallas, Tex.

Security of New Haven: E. E. Potter, San Francisco, Cal.

Traders of Chicago: H. T. Neefus, special agent for New York and Western Pennsylvania, at Buffalo, N. Y.

United Firemens: Richardson-Kothe Company, Indianapolis, Ind.; Riddle & Hamilton, Terre Haute, Ind.; C. B. Fitch, Fort Wayne.

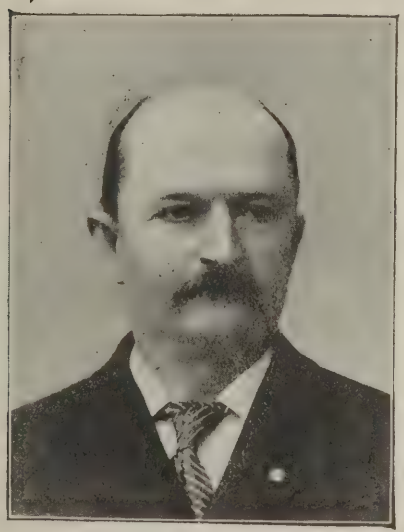
Attorney Ralph W. Breckenridge, of Omaha, Neb., who is chairman of the committee of the American Bar Association on uniform insurance laws, was counsel for an insurance company in a recent case at Omaha. During one of the temporary adjournments of the court a juror in the case stepped up to Mr. Breckenridge and "touched" him for a dollar. The attorney immediately reported the impropriety to the judge, who on reassembling court severely roasted the juror and ignominiously dismissed him from the panel.

Mr. Roscoe W. Gorman, general supervisor of agencies for the Travelers insurance company for the States of Georgia and South Carolina at

(*Continued on page* 394.)

FIRE INSURANCE—RATES AND SCHEDULE RATING.

Lecture by Charles A. Hexamer, Secretary of the Philadelphia Fire Underwriters' Association and President of the National Fire Protection Association, Before the Wharton School of Finance and Commerce of the University of Pennsylvania, April 13, 1905.



Chas. A. Hexamer

Before discussing the question of schedules and schedule rating, it is necessary to have a clear conception of what in the insurance nomenclature is understood by the term "rate." Briefly, a rate is the amount charged for insuring $100 of property for one year. The premium is the amount paid for insuring the property, and the sum insured is known as the amount of the policy. Therefore $\frac{\text{amount of policy} \times \text{rate}}{100} = \text{premium}$. For commercial reasons insurance is often desired for a less or greater term than one year. In the former case it is customary to charge the short rate of the annual rate, and in the latter case a multiple of the annual rate. For example, the annual rate being 1 per cent. for one month, two-tenths of annual rate is charged; for two months, three-tenths, etc. For terms in excess of one year it is customary to charge 75 per cent. of annual rate for each additional year. So that a two year policy, the annual rate being 1 per cent., is written at a rate of 1.75; a three year policy at 2.50; a four year policy at 3.25 and a five year policy at 4.

It will be interesting to note that in Philadelphia, the home of the first fire insurance company organized in this country, a system of perpetual insurance is still in use. The perpetual rate of a risk is the rate per cent. which, multiplied by the amount of policy, will produce a premium, the interest from which produces a sum sufficient to pay the annual premium. It follows that so long as the deposit remains with the insuring company, the insurance will continue in force, inasmuch as the interest on the deposit pays the annual premium. To convert an annual rate into a perpetual rate, the annual rate is multiplied by a constant figure, based of necessity on the money interest rate obtainable. At the present time the perpetual rate is computed to be twelve times the annual rate.

Rates should be sufficient to produce an income large enough to provide for the payment of losses, plus the necessary expenses of the insuring company, plus a reasonable profit for the stockholders. The classification of losses is therefore necessary for a proper consideration of the rate. The experience derived from the classification of losses of one company cannot be taken as satisfactory, and combined classification is the logical result. In this, the combining of experiences in loss classification, we have the first step toward the organization of rating bureaus. It is impossible in the brief time allotted to me to give a complete resumé of the history of rate making. I will, therefore, confine myself to the history of the development of the association I am connected with,

THE PHILADELPHIA FIRE UNDERWRITERS' ASSOCIATION,

believing that in the development of that organization all of the various advancements in scientific rate making can be clearly traced. The Philadelphia Board of Fire Underwriters was organized in April, 1852. Its object was to classify and rate temporary (not perpetual) risks. Companies issuing perpetual policies did not assist in the organization. Rates were made and promulgated on the basis of difference in fire hazard, as determined by the general experience of the companies, members of the organization. In time the list of "Classes of Hazard and Rates of Premium for Insurance Against Loss or Damage by Fire in the City and County of Philadelphia" was promulgated. While this list could not have been expected to be a marvel in conception and results, it was the beginning of rate making on a sound fundamental principle, which has been maintained up to the present day. Briefly, the rate of the building was based on construction, material of construction, use of building or occupancy, location, height and depth. Rate of contents was graded as to whether the "goods" were equal to the building; as to building hazard with the combustible hazard of goods added; or as affecting the building risk. It is interesting here to note that nearly fifty years later these three grades under the terms "susceptibility, "ignitibility" and "combustibility" were given the same consideration by the framers of the Universal Mercantile Schedule, which will be discussed later on. Stores and warehouse buildings were graded by classes, a first class building being one constructed of brick or stone or iron with tile, slate or metal roof, cornice of brick, stone or metal, fire walls extending above the roof, and iron shutters front and rear

The second class building deviated from this in one particular, the third class building in more than one particular, the fourth class building being of frame construction. We also find that in addition to the basis rate for the class additional charges were made for height, depth, skylights and communications. Location charges for inaccessibility to fire apparatus, and congestion of values as well as exposure to hazardous risks were also considered. All these deficiencies are found worthy of consideration in the most advanced rating schedule of today. Congested or conflagration districts were also given consideration and penalized by flat advances. Merchandise or "goods" were then classified as not hazardous, hazardous and extra hazardous, and a sum named for each class, which added to the building rate gave the rate for insurance of the merchandise, so that here also the principle of discrimination between the susceptibility to damage between building and contents was clearly indicated. Non-hazardous, hazardous and extra hazardous goods were subdivided into about 150 classes, with rates varying from 10 cents to 40 to be added to the building rate.

SPECIALLY HAZARDOUS RISKS

comprising the various manufactories were rated by classes, with distinction as to whether steam, water or hand power was used, and also as to whether the building containing the risk be constructed of brick or stone or wood; the rate charges to be added to building rate (which we will consider further on as "occupancy charges"), varied from 50 cents to $6.

In 1857 the Philadelphia Board of Fire Underwriters published a booklet containing practically unchanged the charges and classifications above cited, together with a list of minimum premiums in three columns, first column to be charged in addition to building rate, the second column being the full premium in brick or stone building, and the third column being the full premium in wooden buildings, it being stipulated that merchandise in wooden buildings could be insured at building rate, and that certain articles with a star prefix did not affect the rate of building or of other articles in the building. An examination of the three columns referred to shows that the second column, where the rate applies to buildings and contents, consists of such risks as are at present classed under the general term "Special Hazard." A special charge of 10 cents for "camphene or burn-

ing fluid," or any similar inflammable liquid, "if used for lighting or kept for sale by the assured," is the only deficiency charge other than those enumerated. Ten years later the booklet was republished, containing, in addition to the charges and rates in the booklet of 1857, rates on specific risks by name. The table of minimum premiums contained more items, and a provision for insurance for more than one year and for short periods is made.

In 1872 a Tariff of Rates of Premium for Insurance, adopted by the Association of Fire Underwriters of Philadelphia, was published. The tariff showed a decided advance in the methods of rating. Fire doors to communications are recognized, and charges for their absence provided for; charges for additional tenants are fixed and the rates for longer terms than one year are fixed at two and one-half rates for three years, four rates for five years and five rates for seven years. The list of specially rated risk is largely increased and the list of minimum rates made to apply to third class buildings, with a deduction for first and second class buildings of 10 and 5 cents, respectively. A reduction in rate of building from contents rate is also provided. The rate book published in 1876 shows a further advance in discriminating charges and a large addition to the list of specially rated risks. It is also noted that "improvements" will affect the rate, and that "no reduction in rate shall be made for promised improvements."

The present Philadelphia Fire Underwriters' Association was organized in November, 1883. The objects of the association are set forth in the constitution and bylaws as follows:

The object of this association shall be the reduction of the fire waste of the city of Philadelphia, the establishment of just and fair rates, limited and perpetual, whereby the cost of fire insurance may be equitably distributed among all classes of manufacturers, merchants, private householders and others. For these purposes this association will establish a system of schedule and minimum ratios, giving the best risks the lowest rates, and adding specific charges for all deficiencies from required standards, making reductions from such rates when the deficiencies charged for are eliminated, and also provide rules and plans for regulating the practices of the business of fire underwriting in the city of Philadelphia.

Continuing on the methods outlined, rates on special risks were promulgated under the direction of rating committees for some time. The necessity of better and more complete methods of rating was now becoming more and more apparent, and the formulation of schedules of different classes of manufacturing risks was the result. The schedule at first gave consideration to the main physical hazards—such as question of picker in or outside of the main mill, location of boiler and disposal of shavings in woodworking risks, location and arrangement of drying, etc. Subsequently the construction and arrangement of the building in regard to the hazard of the occupancy and the protectional and preventative features were studied, until at length a rating schedule such as is at present in use throughout the country in one form or other was adopted.

A SCHEDULE FOR RATING

a risk of a certain class consists of a description of a standard risk of such class, giving due consideration to construction, protection and physical conditions and hazards of a class, and of a table of charges for deficiencies or deviations from the standard. A standard woodworking risk, for instance, would be rated at 4 per cent., this figure being called the "basis rate." To this basis rate deficiency charges are added, as per the schedule, for deviation from the standard, the total sum resulting being the rate charged for insuring the specific risk. As an example, the schedule for rating a saw and planing mill provides that a standard mill shall be constructed of brick or stone, not over four stories or three stories and basement in height; not over 7,000 square feet in area; roof, metal, slate or approved composition; cornice, brick, stone or metal; walls of thickness required by building laws; floors, 3 inch plank, tongued and grooved, or splined, 1¼ inch flooring boards on top, no openings in floor; ceiling not boarded or plastered (no concealed spaces); stairways and elevators in separate brick or stone stairway, or elevator house with standard fire doors at each landing; driving belt in separate belt race, no belt holes in floors; heating by steam pipes suspended on metal clear of all woodwork; lighting, by gas or incandescent light; boilers in separate brick or stone boiler house; communications to main mill, if any, to be protected by standard fire doors; stack, brick; shavings to be taken up from various machines as soon as made, by suction fan, and conveyed through metal conduit pipes to a fireproof brick shaving house securely cut off from boiler house or main mill by standard fire doors; shaving house to be of ample size to store all surplus shavings made on the premises, and must be provided with a cyclone dust collector; steam jet to be placed in shaving vault, with valve in boiler room; drying to be done by steam in brick dry house securely cut off from other buildings by standard fire doors; painting, oiling and varnishing—none to be done in building; benzine—none to be used in building; upholstering—none to be done in building; watchman—at night, with an approved clock, watchman to make hourly rounds, nights, Sundays and holidays; fire protection—approved standpipe, with hydrant and hose on every floor as required; standpipe to be supplied by elevated tank, steam pump or city water if pressure is sufficient; buckets and casks—at least one cask and six buckets for each 2,500 square feet floor area; single occupancy required.

A mill conforming in all respects to the above would be considered a standard saw and planing mill, and such property would be insured at the basis rate, with a further reduction for automatic sprinklers. If on surveying a specific mill it is found that conditions deviating from this standard exist, deviation charges would be made as provided in the schedule, item for item, and the sum of these charges, together with the basis rate, is the rate at which the specific mill can be insured. The owner of the mill, being furnished with a list of the deviation charges, can, if he is so disposed, make the necessary changes, and very often at an expense not at all excessive when results are considered he can very materially reduce his rate. In a like manner schedules are prepared for the many varying classes of manufacturing risks, necessitating in every case a careful study of the process of manufacture, so that the physical hazard of each process can be studied and the proper safeguards suggested.

While primarily the schedule must be considered the means of measuring a risk and of producing a rate commensurable with the hazard of the specific risk, the value of the schedule and of schedule rating, as a means of improving risks from a fire prevention viewpoint, and thereby diminishing the possibility of loss of life and property by fire, cannot be overestimated. The study of fire prevention has in the last few years developed greatly, due largely to the general adoption of the principle of schedule rating by the various rating organizations throughout the country. A large number of examples of the value of schedule rating resulting in improvement of property can be cited, but I will confine myself to citing

A FEW EXAMPLES,

where a specific class of factories, which at one time were a constant source of loss to the insuring companies even at high rates, was made profitable at a low rate by reason of judicious schedule rating. For years the shoe factories in the New England States, by reason of frequent fires, caused serious loss to the insuring companies. Flat advances of rates had no effect. At last a committee of the rating organizations having jurisdiction was given charge of the matter. This committee very wisely took up the question directly with the manufacturers, and by studying with them the various hazards of their business, as well as the various defects in construction of the buildings, in methods of management and in fire protection, by a rating of the various risks by schedule, brought out the deviation from the standard previously prepared.

The result was that in a short time the various properties were so changed that they are now profitable risks to insure at a fraction of their previous rate. Similar action having like results was had in the case of the rubber factories, a class of hazardous risks which for years proved unprofitable to the insuring companies, and which after judicious handling by a special committee and by co-operation with the manufacturers were so much improved that as a class they have become profitable risks to carry at a much lower rate. The above examples were cited at length in an address delivered by Mr. U. C. Crosby before the fourth annnual convention of the National Fire Protection Association. Mr. Crosby, speaking as an underwriter, said, "Profit is made in eliminating the causes of fires, increasing facilities for extinguishing same, and not in advancing rates." This is an axiom which has been accepted by practically all rating organizations throughout the United States.

To a student of schedule rating, who in pursuance of his studies examines schedules for rating a certain class of risks prepared in different sections of this country, one thing will be very apparent. While the standard of the class of risk will be practically the same, a great diversity in the value placed on various deficiencies will be noted. It stands to reason that the presence of a picker in the main mill, or of the boiler in the saw mill, should not be considered a greater hazard in one part of this country than in another. Nevertheless, we may find that the charges of these deviations may be twice as much in one location as in another. This apparent distinction is difficult to explain. I am rather of the opinion, however, that the reason of the different charges is that in each district the framer of the schedule

endeavored to bring out results not varying from the condition of rates existing prior to application of the schedule. Rates vary in different sections of the country and in different cities, due to the general loss ratio of the locality. That this should be so will be apparent when it is remembered that the rate should be sufficient to produce an income to take care of losses and expenses, and provide for a reasonable dividend for the stockholders. Having now discussed with you the general question of rate, schedule and schedule rating, it is my intention to take up what has been well termed the

"UNIVERSAL MERCANTILE SCHEDULE."

The history of the development of the "Universal Mercantile Schedule" is interesting, and marks an epoch in the development of the science of schedule rating. Recognizing the desirability of a uniform system of rating mercantile risks in different sections of the country on like basis, the committee to whom the question of framing such a schedule was referred selected co-operating committees representing underwriters' associations engaged in rate making. In addition to the co-operation of these committees, the parent committee also enlisted the help and co-operation of underwriters who were known to have given special attention to the question of schedule rating. To these copies of the schedule were sent, with the request to criticise the work of the committee freely. The work of the committee continued for a period of several years. In the history and analysis of the "Universal Mercantile Schedule," the chairman of the committee, Mr. F. C. Moore, when submitting the final report of the committee, said:

Schedule rating is a specific, accurate measure from the viewpoint of advantage or disadvantage, by a scale of insurance rates or prices, for every feature of a building and its contents, of construction, occupancy, fire resisting or extinguishing provisions, and also of its environment or surroundings, involving in the latter consideration of such features as the liability of the city in which the building is located to conflagrations; the width and grade of its streets; its previous fire records; its police and fire departments, and, in fact, every consideration which an ideal underwriter supposedly possessed of the knowledge and experience combined of all engaged in the business would take into account in fixing a rate.

The scope and intent of the U. M. S. is here laid down: "The rate of a standard building in a standard city, located anywhere, should be the same." Briefly, the Universal Mercantile Schedule considers the following points: (1) A standard city is described. It involves level and wide streets, gravity water works, adequate pipe service and all other features of fire department, police supervision, building laws, and laws and ordinances for handling explosives and chemicals. (2) A standard building is described, said building being a model of construction and embodying all modern safe construction and protection features. (3) A basis rate or key rate for such a building. The basis or key rate is arbitrarily fixed at 25 cents. To this is added certain charges for deviation of city from the standard city as to water works, inaccessible or narrow streets, deficient fire apparatus and fire department, ineffective building laws, etc. The result—the key rate of the city is then used to determine the rate of any building in the city by adding in turn to the key rate the deficiency charges for constructional deviation from the standard.

After deducting from the result obtained the various allowances for superior construction and protection or for other features tending to reduce the possibility of fire occurring, or to prevent its spreading, the result is the unoccupied building standing alone; that is to say, not exposed to any other building. Charges for exposure having been added in accordance with the hazard, the final result is the unoccupied, exposed. To obtain the rate of the occupied building a sum representing the combustibility of the contents or manufacturing hazard is added. We now have the rate of the occupied exposed building. For rate of the contents we add to this rate a sum representing the ignitibility and susceptibility of the contents. Charges for faults in management or housekeeping added to the above rates complete the final rate of occupied building and contents.

The magnitude of the committee's work is apparent when it is considered that there are some 21,000 items in the Occupancy Table and some 21,500 in the Table of Susceptibilities. While it may be true that the charges for occupancy and susceptibility are in a measure arbitrary, the combined loss experience of a large number of companies was studied in their preparation, and the result can be accepted as approximately correct. In order that the schedule be not too long, instead of considering every recognized point of excellency in construction, protection and condition, percentage deductions for conditions better than provided in the schedule were arranged, so that the careful student of the schedule would be able to give consideration to the very best conditions known and recognized. The Universal Mercantile Schedule, either in its entirety or modified to meet local conditions, is now in use in a very large part of the United States, and has demonstrated its great value as an educational factor, conclusively.

In his able treatise entitled

"FIRE RATING AS A SCIENCE,"

Mr. A. F. Dean discusses the relation of the schedule to classification, and points out the value of combined classification for correct schedule rating methods, in a clear and concise manner. While Mr. Dean contends that the Universal Mercantile Schedule has not solved the problem of correct fire rates, those familiar with the application of the Universal Mercantile Schedule are satisfied that his schedule is a great step toward the desired end.

The Universal Mercantile Schedule, and in fact all schedules, would produce erroneous results if the percentage of insurance to value of insured property were not considered. As an example, a property valued at $10,000, rated at 1 per cent., would pay $100 premium if fully insured, and only $50 premium if insured for half its value. In case of a fire destroying 50 per cent. of the value in the former case, the insuring companies would pay $5,000 or 50 per cent. of the sum insured. In the latter case, the insuring companies would pay $5,000 or a total loss under their policies. As a basis of equitable rating, a percentage of insurance to value must be agreed upon. This percentage has been fixed at 80 per cent. A clause on the policy noting this fact is called the "Coinsurance" or "Average Clause." One of the provisions of the clause is that the assured in event of a loss becomes coinsurancer for the deficiency between the amount insured and 80 per cent. of the value of the property, or in other words stands his share of the loss with the insuring companies in proportion as the amount insured bears to 80 per cent. of the value of the property. The clause in question in use in this city reads as follows:

Reduced Rate Average Clause.—In consideration of the reduced rate at which this policy is written, it is expressly stipulated and made a condition of this contract that this company shall be liable for no greater proportion of any loss than the amount hereby insured bears to — per cent. of the actual cash value of the property described herein at the time when such loss shall happen, nor for more than the proportion which this policy bears to the total insurance thereon; provided, however, that if the aggregate claim for any loss shall not exceed five (5) per cent. of such actual cash value, no special inventory or appraisement of the undamaged property shall be required.

If this policy be divided into two or more items, the foregoing conditions shall apply to each item separately; and if two or more buildings or their contents be included in a single item, the application of the provision as to special inventory or appraisement shall be limited to each building and its contents.

As an example of the application of this clause, let us assume that the value of a property is $10,000 and the sum insured is $8,000, or 80 per cent. of the value. In event of a loss the insuring companies pay the entire loss not exceeding the amount of policy; if there is but $5,000 insurance, the value being $10,000, in event of a loss of $5,000 the insuring companies would pay five-eighths of the loss, or $3,125, and the assured would pay three-eighths of the loss $1,875. The Coinsurance or Average Clause is inoperative when the insurance carried is equal to or exceeds the sum required to be insured, or when the loss equals or exceeds the per cent. of value required to be carried under the clause, or when the property is entirely destroyed. As stated, the rate obtained by application of the schedule is based on the fact that 80 per cent. of the value of the property is insured. Should the owner elect to insure less than 80 per cent. of the value he can do so at an advance in the rate, or if he elects to insure for the full value of his property he can do so at a reduced rate. For the proper application of schedules to different risks, and for promulgation of rates to the various insurance companies,

RATING ORGANIZATIONS OR BOARDS ARE NECESSARY.

While primarily these boards were organized for rating purposes only, their scope has been so enlarged that they have become technical bureaus where architects and builders or owners of properties can obtain all information as to improved construction and protection of their property against loss by fire. The examination and criticism of architects' plans and specifications, the preparing plans for sprinkler installation and other fire protection, and suggesting safe electric installations, are but a few of the duties such boards are called upon to perform. The study of municipal laws and ordinances controlling construction of building and the safekeeping and using of chemical explosives and combustibles, and suggesting betterments in the laws and ordinances must also be considered among the duties of the rating board. The study of the conflagration hazard of the city and the safeguarding of such conflagration hazard are of the greatest importance, and must of necessity be taken up by the rating board.

Experience has taught, and facts confirm, that improvements in fire hazard of a building, or of the city, can only be obtained

by schedule charges, for the defects, in the rate of insurance when the individual risk is under consideration, and by general advances to all rates when the city is under consideration. Slip for inefficient fire defence or water supply, and slip for conflagration hazards attached to policies (each slip stating that for deficiency in the one and for hazard in the other a fixed charge over and above the rate is added to the premium) bring the defects so forcibly to the attention of the property owners that their co-operation is at once enlisted to bring about the desired result.

In discussing the varying charges for the same defects in schedules in use in different sections of the country, and suggesting the reasons for such variation, I did not call your attention to the difficulty encountered when schedule rating was being developed, due to the great diversity in the requirement for construction and protectional features. The necessity of uniformity in requirements soon became apparent. To that end, some nine years ago, a meeting of representatives of various rating boards were invited to a meeting in New York city to discuss rules for installation of automatic sprinklers, and for the formulation of uniform rules applicable to all parts of the country. This meeting resulted in the organization of the "National Fire Protection Association." This association of rating boards, meeting annually, formulates standards and requirements for various constructional and protectional features. These being promulgated by the National Board of Fire Underwriters became the recognized uniform standards for use throughout the country. Expressly disclaiming any desire to even consider the question of rate, the work of the N. F. P. A. has taken up through special committees the question of preparing standards for various classes of manufacturing risks, so that uniformity in standards of classes may result. The study of varying processes of manufacture, and changing hazards of same, and especially the safeguarding of hazards from heating and lighting, has been intrusted by the National Board of Fire Underwriters to a committee of consulting engineers. This committee gives special attention to the formulation of rules for safe installation of apparatus for lighting and heating, and for the construction and control of such apparatus. For the furtherance of the work above outlined the National Board of Fire Underwriters maintains an underwriters' laboratory, where tests of materials and devices designed for better construction and protection of property are made. The laboratory also examines and tests apparatus and devices, which may be considered as increasing the fire hazard, listing such as may be permitted under restrictions formulated by the committee.

In presenting to you this paper on rate making it was my desire to call your attention in a general way to the great amount of detail work and investigation necessary to produce even approximately correct ratings. Also, to give you a general idea of the methods of preparing schedules, and of the technical work carried on to that end. I endeavored to convey to you the thought that schedule rating as at present practiced by the various rating organizations is a public benefit, tending toward the reduction of the annual fire waste and to the prevention of loss of life and property by fire. The value and necessity of combinations of insurance companies for the exchange of experience and for the enforcement of improvement in building construction, and in the safeguarding of hazards by means of schedule rating, should appeal to you.

PERSONALS.

(*Continued from page* 390.)

Atlanta, was killed in that city on the afternoon of April 17. He alighted from a trolley car and was knocked down by a negro messenger boy on a bicycle, who ran into him. His skull was fractured and he died without regaining consciousness. He was thirty-eight years old and married. He was a prominent Elk and Mason.

Mr. Thomas C. Boggs, general manager for Wisconsin and Northern Michigan of the Fidelity Mutual Life insurance company at Milwaukee, has resigned his position to accept that of city superintendent of the Mutual Life insurance company of New York at the same city. Announcement of this change has been made by Bruce Whitney, manager of the company, and came as a surprise in insurance circles.

Mr. William F. Ryan, who was recently appointed actuary of the Missouri Insurance Department by Superintendent Vandiver, died of blood poisoning caused by an ulcerated tooth April 9, at his home in St. Louis. He was forty-nine years old. He was formerly connected with the Missouri Auditing Company, and had often acted as consulting actuary for various insurance companies.

Mr. Wright Burge, who until recently was a solicitor for the New York Life insurance company and who lived in Brooklyn, fell from a third story window of his house in that city on Monday and was found dead in the yard. He had lately become blind, and it is thought he walked through an open window. He was sixty-five years old, and had been with the company twenty-five years.

Mr. Will A. Waite has been appointed manager of the Phœnix Mutual Life insurance company of Hartford for the State of Michigan at Detroit, and succeeds the former managerial firm of Arthur & Waite, which has been dissolved by mutual consent. The offices will remain in their present location in the Hammond Building.

Mr. Charles W. Hatter, a member of the Baltimore, Md., firm of Hatter & Warwick, insurance brokers, died at his home in that city after a long illness on April 14. He was treasurer of the Old Town Fire insurance company, of that city, a prominent Mason and a Civil War veteran. He was born in Baltimore in 1840.

Mr. Walter D. Williams, recently elected second vice president of the Spring Garden insurance company, of Philadelphia, was tendered a banquet by his Minnesota insurance friends on last Saturday evening. They also gave him a gold watch.

Mr. M. P. Ghee, a local agent of Vincennes, Ind., claims to be the oldest insurance agent in the State. He was born in Ohio in 1822, and has been a resident of Vincennes since 1845. He has been in the business fifty-eight years.

Mr. Thomas A. Buckner, vice president of the New York Life, spent several days last week in Chicago and Milwaukee, where he began the life insurance business twenty-five years ago. He left Chicago on Tuesday for the West.

Mr. Charles Dyer Norton has been appointed general agent for the Northwestern Mutual Life in Chicago and Northern Illinois, succeeding the firm of Kimball & Norton, because of the death of the late A. W. Kimball.

Professor T. R. Dunlap, formerly vice president of Jarvis College at Thorpe Springs, Tex., has been arrested on a charge of arson in the burning of the main college building on March 20.

Mr. James Murphy, Jr., an insurance agent of Bayonne, N. J., committed suicide at his home in that city on April 13, following a long failure of health. He was sixty-four years old.

Mr. George A. Kinman, for fifteen years an agent of the New York Life insurance company, at Detroit, Mich., died at his home there of cancer on last Saturday. He was thirty-two years old.

Mr. Ivan E. Lang, of Bowdoinham, has been appointed deputy insurance commissioner of Maine, succeeding Mr. Charles W. Fletcher, who has gone to the Massachusetts department.

Mr. William J. McCraken, Jr., forty-four years old, an agent of the New York Life insurance company, at Pittsburgh, Pa., died there of apoplexy on Sunday last.

Mr. William L. Heazlitt, of the Auburn, N. Y., insurance firm of Quick & Heazlett, died of the grip in his home at that city on April 10.

Mr. E. Wisnewski has been appointed auditor of the Western and Southern Life insurance company, of Cincinnati, Ohio.

Mr. J. H. Hauschild has resigned as special agent of the Home of New York in Minnesota and the Dakotas.

Insurance Legislation.

Arkansas.

The Senate has passed House Bill No. 49, by Mr. Ramey, which requires mutual fire insurance companies to file bonds for the payment of losses.

Connecticut.

HARTFORD, Conn., April 14.—The Senate passed today the resolution incorporating the Mechanics' Mutual Fire insurance company, to insure mechanics' tools not exceeding $200 in value. The bill amending the section of the statutes relating to policies for the benefit of married women was taken from the table and passed.

HARTFORD, Conn., April 20.—The Insurance Committee of the General Assembly continued today the hearing on the resolution which provides that the safety fund of the Hartford Life insurance company shall be distributed by the courts among the remaining assessment certificate holders in the company, 23,000 in number. Hon. Lewis Sperry and Judge Arthur F. Eggleston represented the company, and ex-Judge Henry Stoddard, of New Haven, appeared in favor of the resolution. After a discussion as to the admissibility of any more testimony in favor of the resolution, President Keeney, of the company, waived any objection on the part of the company and Mr. Stoddard was heard. He described the assessment business formerly conducted by the company, and said that the certificates issued by the company imposed no insurance obligation on it. The company received $10

per $1,000 of insurance from each member, which went into the "safety fund," and now amounted to about $1,400,000. Mr. Sperry said that there was $1,000,000 in the men's department of the safety fund and $300,000 in the women's.

Judge Stoddard claimed that the company is collecting expenses from the certificate holders and is only paying out mortuary claims. Expense payments were made and collected which were not fairly chargeable as expenses. He argued that the assessment business formerly done by the company was co-operative, and that the company merely held the safety fund as trustee, and that whatever profit there was in the assessment business should go to the certificate holders. He wanted the certificate holders to have the right to go to the courts, have their rights defined and be enabled to recover what they claimed belongs to them. The company, when it went out of the assessment business, made a proposition to the certificate holders under which they could have taken out insurance on the life plan by a system of allowance on account of the old certificates. The company abandoned this and the certificate holders got left.

President Keeney explained that the offer remained open for several months and only sixty or seventy certificate holders took advantage of it.

Judge Stoddard asserted that the company was collecting about $160,000 a year for expenses and was doing nothing in return except to collect the mortuary assessments. He wanted to communicate with the 22,000 assessment policyholders of the company, but could not get a list. Mr. Sperry said that of the 22,000 assessment certificate holders, 20,000 were satisfied with their insurance. The hearing was adjourned for a week.

Florida.

TALLAHASSEE, Fla., April 14.—The insurance agitators have shown up early in the session of the State Legislature which begun this week, President Trammell, of the Senate, introducing the following bill:

To provide that where there is a total loss by fire and a company fails to pay the full amount, there shall be paid back the balance of premium on policy.

Mr. Noble, of Lake, offered a resolution for the appointment of a committee on insurance, which was adopted.

Governor Napoleon B. Broward, in his message to the Legislature, had this to say upon the question of insurance:

Life insurance has become a very popular source of accumulating estates by the people of our country. In the first place, it is a cash estate that is easily handled by the widow or orphan. In the next place, it is accumulated by the payment of premiums in comparatively small sums at a time, and in most instances it constitutes an estate that is not drawn upon and that can never be in debt. In fact this mode of creating an estate has become so popular that there was paid out in this State by our citizens last year to thirteen insurance companies premiums aggregating $1,527,322.49, and the losses paid to citizens in this State aggregated $428,579.30, which shows there was paid out last year $1,098,743.18 more than was paid in losses, and as all of the companies of which I write are outside of the State of Florida it is evident that $1,098,743.18 more went out of the State than what was brought in as estates to our people; thus it is shown that the excess paid out over the amount received in return would equal a ten mill tax on the present assessed valuation of Florida.

As it is always desirable that as much of the people's money shall remain at home as is possible, does it not argue strongly in favor of State insurance? May not the State issue policies and receive premiums therefor, and after setting aside the proper reserve fund for the safe conduct of the business have a large surplus to be turned into the revenue fund of the State, thereby relieving direct taxation to that extent?

If we will take as a basis the last twelve years' business done in the State as per the State Treasurer's report, which is as follows:

Year.	Risks in Florida.	Losses in Florida.	Receipts in Florida.
1893	$5,460,967	$95,091.52	$518,221.96
1894	6,045,900	65,063.70	587,741.38
1895	4,793,442	178,152.43	554,578.46
1896	5,254,013	186,080.44	567,528.32
1897	4,242,191	254,408.78	568,697.86
1898	5,010,627	213,461.68	602,715.87
1899	6,482,133	432,457.68	739,818.50
1900	7,801,768	265,455.32	918,525.41
1901	7,619,224	305,383.66	1,040,363.48
1902	8,373,234	292,536.24	1,184,914.05
1903	8,682,640	413,540.48	1,355,246.15
1904	10,815,667	428,579.30	1,527,322.49
	$80,581,807	$3,130,211.23	$10,165,676.93

It is apparent that the amount of losses paid in twelve years has only been about 30 per cent. of the gross receipts for premiums of the life insurance companies doing business in this State. By placing a comparatively small amount of money to the credit of the fund to cover any immediate loss that might occur the business can be established and become a great source of revenue, and in my judgment become very popular.

I therefore recommend that the Legislature enact such laws and take such measures as will be necessary to establish a life insurance business conducted by the State.

If you consider this idea practical and beneficial to the State, I suggest that we have an organization sufficient in nearly every detail to commence work, as blanks could be furnished by the Comptroller and sent to the various bonded county officers, they to fill out blanks for applicants and refer them to the proper physician or physicians for examination, the physician to make his report to the county officer sending him the applicant, said application and report of physician, together with the premium, to be forwarded by the said county officer to the Comptroller, he to audit the same, and, if found correct, turn the money and papers over to the Treasurer. Upon the receipt of the money and papers, the Treasurer shall file with the Secretary of State the application and his receipt for the premium, and the Secretary of State shall thereupon issue a policy to be valid when signed by the Governor, and forward the same to the applicant.

Of course this is suggested merely as the outline of a plan which might be perfected and adopted.

Illinois.

SPRINGFIELD, Ill., April 18.—The Stead-McKinley anti-trust bill, which also applies to insurance companies, is to come up in the Senate Judiciary Committee this week, and a fierce attack on the bill is anticipated. Attorney General Stead has prepared an elaborate defense of the bill. Comparatively little attention was paid to it in the House, but now it will be fought hard, and the chances are that insurance companies will be exempted from its operation, though Mr. Stead will do all in his power to prevent this.

SPRINGFIELD, Ill., April 19.—The House Committee on Insurance today killed Mr. Loy's House Bill No. 443, prohibiting insurance companies from pooling or agreeing upon rates of insurance, also Senate Bill No. 131, repealing a law passed at the last session, requiring agents of unauthorized corporations to procure licenses, which the Supreme Court has held to be unconstitutional. The committee ordered a favorable report on Mr. Pogue's valued policy bill, House Bill No. 150.

SPRINGFIELD, Ill., April 20.—Representative McKinley, author of the House and trust bill, and assistant Attorney General George Gillespie today called upon Chairman Harry Hall, of the Senate Committee on Corporations, and requested that he give them a hearing on the bill which is now in that committee. Senator Hall told them that it was probable that a hearing would be arranged for to be held some time next week. Owing to the fact that the Legislature is getting

ready to adjourn at an early date, it is not likely that the bill will pass.

Massachusetts.

BOSTON, Mass., April 14.—In the House this afternoon Mr. Potter, of Worcester, put in his own petition with an accompanying resolve that the Insurance Commissioner and the chief of the district police, with such members of their departments as they shall respectively designate, shall be a commission to inquire into the inspection and use of steam boilers and to report to the next Legislature, not later than January 15 next, with such recommendations for legislation as they deem advisable, to have power to summon persons and papers, to employ a stenographer and to spend such sums as the Governor and Council shall approve. This is a consequence of the recent Brockton boiler explosion, and all other pending remedial legislation in the matter will be held back till the disposal of this is settled.

The Senate passed to engrossment, without debate, the House Bill No. 1086, to incorporate the Massachusetts Casualty Company.

BOSTON, Mass., April 17.—The House has passed to be engrossed this afternoon House Bill No. 1126, to permit certain employers' liability companies to insure against damage by steam boiler explosions.

Minnesota.

ST. PAUL, April 17, 1905.—The Senate today passed House Bill No. 707, by the Insurance Committee, to prevent unjust discrimination in the fixing of premiums arising from fraudulent fire losses, and to provide for the enforcement of such act; otherwise known as the Fire Marshal bill.

The House passed House Bill No. 707, the Fire Marshal bill.

New York.

ALBANY, N. Y., April 14.—Senator Ambler today introduced a compromise bill, No. 943, favored by the Insurance Department and designed to straighten out the situation over assessment insurance. The bill is a substitute for Senate Bill No. 393 framed to prevent the organization of any more casualty insurance companies in this State on the assessment plan after June 1, 1905. The new bill gives the Superintendent authority to revoke the charter of any assessment insurance company when it shall be shown that its expenses exceed 30 per cent. of its receipts.

Speaking of the bill Senator Ambler said: "It was shown at hearings that with several of the assessment companies last year the expenses exceeded receipts and the State Insurance Department is convinced that a line must be drawn somewhere to regulate this business."

The Senate Insurance Committee today reported the bill of Senator Riordan, No. 807, to regulate the publication of financial statements concerning the condition of life and fire insurance companies and of banks and trust companies.

ALBANY, N. Y., April 18.—In conformity with previous notification Senator Brackett today moved to discharge the Finance Committee from the further consideration of his bill, which was designed to strike out from the present law the provision that no suit or proceeding against an insurance corporation can be prosecuted except through the Attorney General. In the course of a long speech Senator Brackett alluded to the powerful interests which he was antagonizing with such a bill, declaring that they were merciless as panthers in seeking to crush those opposing them. On his part, he said, it was a fight against greed and class. He said that his bill, if it became a law, would permit anyone to go into court at any time in vindication of any claim that he thought he had, and this without scrutiny or approval by anyone else. He quoted numerous decisions in support of his contention that the section of the law preventing policyholders from beginning direct suits against insurance corporations was not within the limits of their rights under the Constitution.

Senator Grady opposed Senator Brackett, quoting the Court of Appeals decision upholding the present insurance law.

Chairman Ambler, of the Insurance Committee, said that the committee had had no time to consider Mr. Brackett's bill in executive session. Senator Coggeshall opposed Mr. Brackett's motion.

When the Senate reconvened at 3:35 o'clock after the recess Senator Brackett renewed his motion to call the attention of the Senate to the fact that under the existing law no receiver could be appointed for an insurance company without notice to the Attorney General.

Referring again to the affairs of the Equitable Life Assurance Society Senator Brackett said: "It is no longer a rumor that there has been wrongdoing in this company. It is now conceded that the funds have been extravagantly expended.

"Under the present law a policyholder is as helpless as a toad under a harrow to secure any redress from these wrongs."

Senator Brackett then referred to the fact that a brief had been circulated about the chamber during his argument on behalf of the insurance companies. He sarcastically informed the Senators that he could get along all right without any advice from any insurance attorneys, and that the action he was bringing for Mary S. Young to secure an accounting of the company was entirely separate from the object sought for in this bill.

Senator Grady answered these remarks by saying that Senator Brackett was confining himself to the information which he had secured by reading the sensational headlines of yellow journals, and that his statements were based on false pretenses when he said that the funds of the association had been wrongfully spent.

"I would like to ask the Senator," said Brackett, "if he thinks that giving a $13,000 dinner to a foreigner is rightfully spending the funds of an insurance company?"

"I can see where under certain circumstances that the funds of an insurance company could be properly spent to give a dinner to a representative of a foreign company, but the Senator has no correct knowledge of the facts outside of his newspaper clippings," replied Senator Grady.

Senator Lewis supported the motion.

Senator Grady said the courts had decided against the contention of Senator Lewis, that every policyholder was a partner and should have that relation to the company.

Senator Malby made a stirring speech in opposition to the motion. He took occasion to criticise the action of various Senators in taking frequent flings at the Insurance Committee. "These remarks of intemperate character," he declared, "have nothing to warrant them in fact." He set up the insurance business in New York State as on a scale not equaled in the world, and said that frequently companies paid losses in excess of the actual damage rather than take a chance of wronging someone.

He declared that he had three policies in the Equitable Life and that if this bill should become a law it would open the doors to 600,000 policyholders, who could bring suit against the company. "There isn't a single insurance company in the State," he said, "but would be driven out of the State if this safeguard was not thrown around them, and but little would be left but a wreck if the dogs of war are to be let loose at them in the fashion this bill would permit."

He said that this bill to permit anyone to bring suit directly against the company would have the same effect as letting

someone go on the streets and spread broadcast the statement that one of the banks was insolvent. The rush of suits would be the same as the rush of depositors for their funds, and the same result would follow.

Mr. Brackett's motion was then lost by the vote of 7 to 36, Senators Brackett, Lewis, Hinman, McEwan, Marks and Saxe being all who voted favorably.

ALBANY, N. Y., April 19.—The Senate today passed Mr. Brackett's Senate Bill No. 266, requiring all conditions of the contract to be embodied in the policy when demanded by the insured. Mr. Brackett said that the bill had been amended by the committee out of all semblance to the original, and its desired purpose had been thwarted by the changes made.

The Senate has passed Mr. McEwan's Senate Bill No. 737, requiring mutual benefit fraternities to file with the Superintendent of Insurance duly verified copies of their constitution and bylaws, and of all amendments made thereto. The Senate has recommitted for hearing Mr. Ambler's Senate Bill No. 763, known as the anti-pooling bill.

Senator Page today introduced Senate Bill No. 973, amending Section 84 of the insurance law, as to the valuation of life insurance policies, so as to require the legal minimum standard for contracts by the American Experience Table of Mortality, with interest at 3½ per centum per annum. The same bill was introduced by Mr. Tompkins in the House as House Bill No. 1534.

ALBANY, N. Y., April 21.—The week in the Legislature has been a rather uneventful one, from an insurance viewpoint, save for the heated debate in the Senate over the Brackett resolution to discharge the Insurance Committee from the further consideration of his bill to repeal Section 56 of the insurance law relative to bringing actions against insurance corporations. The defeat of the resolution had been expected; its consideration, however, served the purpose of allowing certain Senators a coveted opportunity to abuse and malign.

Some surprise was manifested over the ease with which Senator Riordan succeeded in progressing his bill to prohibit all publications excepting daily newspapers and fraternal insurance publications from printing financial statements of insurance companies and banking institutions except they are capitalized at $200,000 and obtain the permission of the Superintendent of Insurance to print such statements. It is now on the order of third reading in the Senate. It is understood, however, that the bill is dead. It got out of committee because nobody affected by it considered it of any possible consequence, and therefore nobody appeared before the committee in opposition to it. Only when it was announced that the bill was reported did it arouse attention. It never had the slightest chance of passage.

A bill for the relief of the National Surety Company of New York has been introduced in the Assembly by Mr. Young. It is to refund moneys paid to the city of New York for taxes on its capital and surplus for 1899 and 1900 by error.

ALBANY, N. Y., April 21.—The Senate Insurance Committee gave a hearing yesterday afternoon on its bill (No. 943) in relation to the expense of management of life or casualty corporations upon the co-operative or assessment plan. Representatives of several Western New York insurance corporations were present and suggested certain amendments to the bill. It is understood that the committee decided to report the bill amended so as to increase from 30 per cent. to 35 per cent. of the cash income actually received by any such corporation from premiums, assessments and membership fees as the limit of the actual expenses of management it may incur during any year. Another amendment will require such corporations to make written reports to the Attorney General, who shall investigate into their condition and advise the Superintendent of Insurance whether they shall be allowed to continue business.

The committee also considered the bill of Senator Davis (No. 811), relating to the admission to transact business in this State of co-operative or assessment insurance corporations organized under the laws of other States. It is said the committee will report the bill adversely.

Pennsylvania.

HARRISBURG, Pa., April 19.—The session of the Legislature just adjourned passed no bills affecting insurance. Not one was reported out of committee.

Tennessee.

NASHVILLE, Tenn., April 14.—The House this afternoon rejected House Bill No. 870, by the Insurance Committee; the fire marshal bill and the Senate passed the House anti-compact bill, No. 892, with the amendment that companies shall not fine agents who write insurance at other than the board rates.

The House before passing Mr. Faw's anti-compact bill, No. 892, amended the first section as follows: "Provided, that this act shall not be construed as to prohibit the formation of associations of fire insurance agents in any city, town or county in this State for the purpose of minimizing expenses by employment of joint inspectors or experts for preparing rating schedules and designating improvements, with a view to the reduction of the cost of insurance. Provided, that all rates which may be suggested through such associations shall be advisory only and not binding on any member of them."

NASHVILLE, Tenn., April 18.—The Tennessee Legislature adjourned this afternoon sine die, and as predicted most of the pending insurance measures—those proposed by the Insurance Investigating Committee and those proposed by individual members of both houses—died by limitation. That is, they were left on the calendar, never having been reached in the hurry and confusion of the closing hours of the General Assembly.

The final result is that only two bills affecting regular fire and life insurance business became laws. These were the anti-compact bill proposed by the Insurance Investigating Committee, designated as Senate Bill No. 616, or as House Bill No. 892, and Senate Bill No. 493, to require life insurance companies to stamp across the face of all policies the kind of insurance it represents. Whether old line or assessment.

House Bill No. 547, also introduced in the Senate as No. 598 and known as the Fraternal Congress bill, regulating fraternal insurance, orders passed.

The law regarding the admission of insurance companies into the State was amended, as it relates to bonding or surety companies, so as to admit them upon the same basis as insurance companies. The law previously required these companies on entering the State to deposit $25,000 in cash with the Insurance Commissioner. The law as amended provides that such companies may do business in the State upon showing that they have deposited with the department of their home States the sum of $200,000, and have a paid up capital stock of $300,000.

All other bills died by limitation, as stated.

Texas.

AUSTIN, Tex., April 20.—At the regular session of the Texas Legislature, which adjourned sine die April 15, several bills relating to insurance were passed finally and all will become laws unless vetoed by the Governor. He has twenty days after adjournment in which to exercise his veto power on those bills which shall have reached him ten days before adjournment. It

is considered unlikely, however, that he will veto any of the insurance bills that reached him within the period named.

Probably the most important bill to be passed is Senate Bill No. 71, prohibiting any insurance company from doing business in this State without a permit from the State Commissioner of Insurance, and providing that if they remove any suit from the courts of this State to the Federal court they shall forfeit permit to do business in Texas and shall not be allowed such right for a period of three years. This bill was introduced in the early part of the session and as no effort was made to pass it then it was generally supposed to be practically dead. Just before the session closed the bill was taken up and rushed through the Senate and sent over to the House. It came up in the rush of business in the closing hours of the session and by a close margin it got through the House. It was the last bill to be signed by the Speaker. The clock had been turned back fifteen minutes and Representative T. D. Cobbs, of San Antonio, who was the leader of the opposition to the bill, protested that the legal hour for sine die adjournment had expired. He demanded that that fact be noted on the bill as a matter of record, but the Speaker declined to do this. It is claimed by good lawyers that the bill will not stand the test of the courts. It places all foreign and domestic insurance companies doing business in Texas at the mercy of the State courts in all legal actions brought by or against them.

Another insurance measure that was passed finally and is certain to receive the Governor's approval is House Bill No 12, which taxes the gross premiums of insurance companies as follows: Life, 2 per cent.; fire, 1½ per cent., and all other insurance companies 1 per cent. The bill makes no change in the rate of tax on life insurance companies, but it increases the rate on fire insurance companies 1 per cent. The bill also provides that all insurance companies of any kind which have as much as one-fourth of their assets invested in real estate, bonds of the State of Texas, county, city or town, or in other property in Texas, in which they are permitted under the laws of the State in which they are organized to invest their funds, shall pay to the State a tax of ½ per cent. on their gross receipts, and if they have invested in the State one-half of their assets they shall pay a tax of ¼ per cent. on their gross receipts. The object of this latter provision of the law is to protect home insurance companies and to encourage the investment of insurance funds in the State. While life insurance companies are not directly affected by this new law, there is a companion law which was passed at this session that affects such companies considerably. This is House Bill No. 50, which was passed finally, approved by the Governor and is now in operation. It increases the permit and charter fees and franchise taxes to be paid to the Secretary of State by foreign and domestic corporations. Under this new law the method of computing the franchise tax of such companies is changed and is now based upon the paid up capital stock, surplus and undivided profits if the aggregate of that amount exceeds the authorized capital stock; otherwise, the franchise tax is based on the authorized capital stock. Insurance companies that have large surpluses will have to pay a heavy increase of franchise tax to the Secretary of State. It is estimated that one New York life insurance company which does business in Texas will have to pay an increase of about $10,00 in this tax over the amount which it has heretofore paid to the State annually. Before the enactment of this new law franchise taxes were based wholly upon the authorized capital stock of such companies.

House Bill 201, prohibiting rebating by insurance companies, was passed finally.

House Bill No. 563, which was passed finally, has an indirect bearing upon insurance matters. It provides for the creation and supervision of State banks and trust companies. This new department of the State is made a part of the State Insurance Department.

House Bill No. 201, which was passed by the Legislature and became a law on April 13, is of general importance to insurance. It provides that all reinsurance affected by companies organized outside of the State, but authorized to do business in Texas, shall be effected through companies authorized to do business in Texas. If this provision of the law is violated the Attorney General is authorized to institute suit against the guilty company for forfeiture of its permit to do business in Texas. The new lay also provides that agents may be licensed by the State Commissioner of Insurance, upon the payment of a fee of $25 per annum and by giving a prescribed bond, to procure excess lines of insurance. Such concerns as utilize these excess lines must make oath, however, that they have exhausted all insurance companies authorized to do business in Texas before such insurance can be placed. It is provided that on this excess insurance the State shall receive a tax of 5 per cent.

Wisconsin.

MADISON, Wis., April 14.—The House has adopted and asks the Senate concurrence in Senate Bill No. 407, by Mr. Munson, a bill to amend sub-division 1 of Section 1941-64, Statutes of 1898, providing that individual agents shall countersign fire insurance policies.

Senate Bill No. 425, by Mr. Noble, a bill amending Chapter 229, laws of 1903, to provide for distribution of assets where mutual fire insurance companies reincorporate into stock companies.

House Bill No. 697, by the Insurance Committee, "who are agents" has passed the House and is now in the Senate Committee.

MADISON, Wis., April 16.—House Bill No. 391, by Mr. Thieme, a bill to require all insurance contracts to be in writing and to prevent discrimination in premiums thereon, has been passed.

House Bill No. 696, by the Insurance Committee, a bill to amend Section 1952 of the Statutes of 1898, relating to surplus in mutual life insurance companies, has been passed .

Miscellany.

The Equitable Life Assurance Society—Various Proceedings This Week.

The principal event in Equitable Life matters this week was the meeting of managers and general agents of the society throughout the country, called by President Alexander to consider the present situation and their relation to it.

The meeting was held at the Hotel Savoy, New York, on Tuesday, and nearly two hundred persons participated. Prior to the formal organization President Alexander, Vice President Hyde and Vice President Tarbell made addresses and then withdrew. The meeting was then organized by the choice of Henry J. Powell, of Louisville, as permanent chairman, and F. L. Levy, of New Orleans; F. A. McNamee, of Albany, and J. W. Estes, of St. Louis, as secretaries. The following committees were appointed by the chair:

Committee on Credentials—Anson A. Maher, of Philadelphia, chairman; J. L. Ramsey, of Allentown; W. A. Danner, of Richmond; W. M. Waters, of Dallas; F. W. Fuller, of Springfield, Mass.; T. B. Sweeney, of Wheeling; Julius Bohm, of New York city; H. M. Ramey, of Little Rock; R. L. Foreman, of Atlanta; W. L. Megary, of Philadelphia; W. J. Roddy, of Rock Hill, S. C.

Committee on Resolutions—Edward A. Woods, of Pittsburgh,

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(Reprinted by Request.)

LIFE INSURANCE AS A CAREER.

By George T. Dexter, Superintendent of Domestic Agencies, Mutual Life Insurance Company of New York.

[Note.—The large number of orders received for the issue of The Weekly Underwriter of April 8, containing Mr. Dexter's admirable contribution to our series of articles by representative thinkers and writers upon insurance, completely exhausted the edition. To meet the demand which we could not supply and that which continues to be received daily, we reprint the article in its original form.—Ed.]

In treating of this topic I shall enter into no futile discussion of the question whether or not life insurance is a profession. I simply assume that it ought to be a profession, and shall treat of it from the standpoint of those to whom it is a profession. I shall therefore leave out of consideration that vacillating class who have never seriously regarded the work as other than a temporary makeshift, and who are all the while planning, if they plan at all, an early transfer to some more congenial calling.

The young man who would study the advantages of life insurance as a career should consider what has been accomplished by those who look to it as their life work, and who devote to it their undivided time and energies. Measured by this standard, its emoluments, its opportunities for advancement, its social and material benefits will compare favorably with those of other professions.

In a prominent Eastern city a single agency has on its force 100 active men whose average earnings during 1904 were $2,870 each. These are men of culture and standing, a large proportion of whom have never been engaged in any other calling, and all of whom may be regarded as fair representatives of the class to whom life insurance is a profession. A comparison with a like number of lawyers, clergymen, physicians, teachers, will not be to the disadvantage of the life insurance men in income, social status, or professional standing.

A life insurance career offers its adherents a greater degree of freedom and independence than any other. The life agent chooses his own employer, selects for himself the field in which he will operate, and fixes his own hours of labor. He makes his own plans and executes them according to his own pleasure. He is subject to no man's beck and call, and has no dread of business reverses or loss of work, for he is never without employment, save of his own choosing.

It must not be overlooked, however, that this very condition of freedom and independence, this very liberty of action vouchsafed to the life agent, has within it the seeds of his own undoing. Being his own master, he is too apt to be an overindulgent one. Free to come and go as he pleases, to work as he likes and to idle when the humor seizes him, he grows careless and indifferent, and dissipates valuable time. Finding it possible to abandon this work temporarily, for a month or a year, and to take it up again with apparently less detriment than would follow in other callings, he is prone to drift off on side issues and to wander away after strange gods, experimenting with new schemes and exploiting new projects. Thus one of the chief advantages of life insurance as a career may prove a pitfall to those lacking persistence and fixity of purpose. The effect is to weed out of the profession at an early date the unstable and vacillating, whose destiny is failure in whatever engaged.

Life insurance as a career offers the earliest returns for effort expended. The young lawyer must wait for clients, the physician for patients to come to him. The clergyman must wait for a call, the teacher for an engagement. Professional ethics interpose a barrier in the way of the physician or lawyer who would solicit patronage or advertise his wares. The life agent, on the other hand, who solicits business most industriously and advertises most judiciously, is the one who wins most surely the approval of his associates and patrons, and attains the earliest and greatest success.

In no other profession or calling are the opportunities for rapid advancement more abundant or less restricted than in life insurance. The young man looking for promotion in the mercantile, manufacturing, or banking business, in railroad or Government service, unless favored by some unusual and unexpected circumstances, must take his turn with others, often waiting weary years for the man ahead to move higher up. Not so with the life insurance man. His progress and success depend upon his own efforts; his compensation and advancement are gauged by what he himself accomplishes.

If the young man would enter upon a mercantile or manufacturing career on his own account, capital, and in these days very large capital, will be required. Industry, integrity, courage, constitute the capital of the life insurance agent. Minor qualifications that might be named are largely the natural outgrowth of these. A special adaptation to the business, that is, a native talent for salesmanship, is, it is true, a prerequisite to any degree of success. It may be conceded, too, that there are those who are so little endowed by nature with this gift that a successful career in the work of selling life insurance would be impossible. Oftener, however, failure is to be atttributed not to lack of natural talent for salesmanship, but to want of simple courage more than to anything else. This is the one supreme quality, wanting which failure is inevitable. A timidity in approaching people and unreasonable fear of rebuff is the bane of the life agent otherwise industrious, talented, energetic. Because he dreads the ungracious reception or the rude repulse, often only imaginary, he hesitates and defers and remains inactive, incurring thereby a reputation for indolence and incapacity when ordinary pluck alone was lacking. Plain, old fashioned pluck, indomitable resolution, a determination to win in spite of the world, the flesh and the devil—these are the qualities that take precedence of all others.

The successful life agent must be what the successful man is elsewhere—tactful, diplomatic, earnest, considerate of the feelings of others, always a gentleman. He must be a student of human nature withal, able to look at his proposition from the prospective applicant's point of view, and ever ready to adapt his argument to the modes of thought and preconceived ideas and prejudices of the latter.

To a successful career in life insurance, thorough preparation for the work, as in other professions, is necessary. More readily than in other callings, however, this necessary training and education may be acquired after entering upon the practice of his profession. Or rather, the student who is seeking to qualify

himself for a life insurance career may participate from the first in the emoluments of the business, since at least a moderate compensation is incidental to the practical training in soliciting which he necessarily acquires under the direction of the manager while securing the requisite technical knowledge by study and instruction.

If my remarks so far pertain chiefly to agency work it is because this is the field occupied by the vast number of those who take up life insurance as a career. The possibilities of the business, however, are not limited to the work of soliciting. As the practicing lawyer may be called to a seat on the bench, so the life insurance solicitor may attain to official position in the home office if such a place be thought desirable. Many of the leading officials of prominent companies began their life insurance career with the rate book, but in this as in other lines it is by no means certain that an aspiration for office is a wise ambition. The substantial rewards, after all, are to be won in the field—an equitable equivalent for work accomplished—all that is one's own with freedom from responsibility.

What of the outlook for the future? The status of the life insurance agent has materially changed within a generation. Those who were wont to take up the work in a doubtful, half hearted way as the only thing available at the time, having failed in other lines, are still in evidence, though relatively few compared with the earlier years. More than ever before ambitious young men, college men, men of brilliant parts and of high social standing are looking to life insurance as a career. With the accession of men of this stamp in increasing numbers, the standard of professional honor and courtesy, the recognized comity of companies, is distinctly advancing. The old spirit of intolerance, of jealousy, of war to the knife is giving way to a spirit of good will and generous rivalry and honorable competition. It has come to be understood that all are working in a common cause for a common end, Your competitor, after all, is a decent sort of fellow, an earnest worker and a hard fighter, but never striking below the belt. He represents an excellent company, one that can and will fulfill its contracts to the letter, though you may know of another that can do a little better for the prospective applicant.

Competition exists, will always exist, as, indeed, it should, but it will be kept within honorable bounds. A rapidly forming system of professional ethics is gradually eliminating unfair methods and questionable practices. The ignorant agent, who, having little knowledge of insurance principles, unwittingly misrepresents the facts, and the unscrupulous solicitor who does not hesitate to mislead the public, are gradually retiring from the calling upon which they have brought discredit.

George T. Dexter

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chairman; A. B. Newman, of Chicago; A. M. Shields, of San Francisco; T. W. Wardell, of Dallas; H. Allensberg, of Spokane; Elmer Dwiggins, of Des Moines; G. W. Johnston, of New York city; F. P. Chapin, of Toledo; G. T. Sibbey, of Philadelphia.

Mr. Eisele, of Newark, N. J., made an appeal for a serious consideration of the business before the conference, and an earnest appreciation of the true interests of the society.

Mr. Elmer Dwiggins, of Des Moines, offered the following resolutions, which were seconded by George W. Johnston, of New York, and Archibald C. Haynes, and were adopted:

The business of life insurance is the most sacred trust bestowed upon a corporate body. No company engaged in handling or administering funds for the protection of innumerable beneficiaries can enjoy any permanent success except upon principles of scrupulous honesty, and officered by men of unquestioned personal character. These together guarantee undoubted corporate cleanliness, without which public confidence cannot be maintained.

Whereas, J. W. Alexander, as president of the Equitable Life Assurance Society, has found it necessary to take measures for the permanent intrenchment of the society's management beyond the control of any other interests than those of its policyholders, for whose benefit and protection the Equitable has uniformly been held out to exist, and ought to exist; and,

Whereas, we, the general agents and managers of the Equitable, constitute with our respective agents the only body connected with the said society which does not receive its remuneration in the form of salary, but derive its only benefit from participation in the actual progress and prosperity of the Equitable through securing new policyholders and caring for old ones, and consequently suffers immediate financial loss when business cannot be done,

Be it resolved, Now in conference assembled, we do pledge to the president our unqualified support in his every effort to protect the management of the society to which we are all devoted, as to safeguard for all time the interests of the policyholders.

Resolved, That we express our entire confidence that the president will continue unfalteringly and finish the work of mutualization which he has so courageously begun.

Resolved, That we urge upon the directors of the Equitable the imperative necessity of a speedy adoption of the president's recommendation as the best means of conserving the interests of the society, of the policyholders, of ourselves and our faithful agents throughout the field in the lifework we have chosen.

The following resolution expressing confidence in Vice President Tarbell was, after debate, adopted:

Resolved, That we do hereby express our unqualified approval of the firm stand taken by Vice President Gage E. Tarbell in support of the president on the great issue of mutualizing the society and placing its administration upon broad, sound and equitable foundations. He has thus increased his strong hold upon the affections of the society's agency force and deepened our confidence in his attachment to the best interests of the society and in his ability and readiness to safeguard and promote those interests. We hereby record our admiration of his worthy and capable leadership.

A committee was then appointed to report upon the organization of a permanent association of the general agents of the society.

A resolution, as follows, indorsing the investigation by the committee of directors, of which Henry C. Frick is chairman, was passed:

Whereas, The board of directors of the Equitable Life Assurance Society have appointed an investigating committee to examine into the affairs of our society, and,

Whereas, The letter of H. C. Frick to the president indicates that the investigation is to be prompt, searching, thorough and impartial, therefore be it

Resolved, That we regard with profound satisfaction the character of the investigation outlined and that we hope that the result will be the means of placing the society upon a still stronger foundation of public confidence;

Resolved, That we regard the character of the committee under such a chairman as H. C. Frick as a certificate of thoroughness and impartiality;

Resolved, That we urge the committee, in order to relieve the trying situation to exercise all possible expedition consistent with thoroughness.

The following resolution, offered by Mr. Boehm, was adopted after a long debate:

Whereas, The Equitable Life Assurance Society of the United States was organized on the mutual basis; and

Whereas, Its charter provides that its business shall be transacted for all time on that basis, and that the dividend on its capital shall be limited to $7,000 per annum, in order that the entire surplus accumulated over and above that $7,000 shall belong to policyholders and not the holders of the capital stock; and

Whereas, All the official utterances of directors and officers for the last forty-five years have committed the society, without qualification, to the mutual plan and to the fact that the entire surplus belongs to policyholders exclusively; and

Whereas, All the official prospectuses and other publications of the so-

ciety for forty-five years have reiterated and guaranteed these utterances; and

Whereas, We, the agents, who in good faith have endorsed this society and its management, and have brought into the society its 500,000 policyholders on the strength of our testimony that the business is in fact conducted on the mutual plan, and that its entire surplus belongs to policyholders, and while in the treasury must be paid for their protection, and when paid out must go to them in dividends in accordance with the terms of their policy contract; and

Whereas, The minds of policyholders have been unsettled by unauthorized and erroneous statements regard these matters; now, therefore, be it

Resolved, That we call upon the officers of the society for a definite official announcement of the following facts:

1. That the business has always been, and always will be, conducted on the mutual plan.

2. That the entire surplus belongs to policyholders exclusively.

3. That each participating policy will receive its due share of surplus profits in accordance with the terms of each contract, respectively.

4. That the agents in soliciting business on this basis have acted with due authority, and

5. That the policyholders have no grounds for apprehension or doubt in the premises.

APPEAL TO THE LEGISLATURE.

Joseph Bowes, of Baltimore, then brought up the question of the appeal to the Legislature and the Governor of the State of New York on the subject of amending the charter of the Equitable. He presented the following:

Whereas, It is our firm conviction that a complete and immediate mutualization of the Equitable Life Assurance Society is demanded as a corrective of existing conditions and a protection to the society and its policyholders in the future; and,

Whereas, Representing the agency force of the society throughout the country, and therefore being in touch with the sentiment of the policyholders, we believe that this conviction is almost universally shared by the policyholders; and

Whereas, The qualified mutualization provided in the amended charter recently adopted by the board of directors of the society is, in our opinion, a compromise measure of doubtful advantage and expediency, and cannot be put in operation immediately through the recent institution of litigation that promises to be prolonged; and whereas, said charter, under the circumstances, cannot be regarded as affording relief or benefit to the society in the present crisis; and

Whereas, We believe that it was the conviction of the founders of this society, as reflected in their utterances and in the provisions of the society's original charter, that the society should, as soon as practicable, become a mutual company in fact as well as in name and in the completest sense of the term;

Resolved, That we do hereby petition the Legislature of the State of New York to exercise its plenary power by enacting such an amendment of the charter of the Equitable Life Assurance Society as will accomplish speedily and with certainty the admission of the policyholders, who are the real and beneficial owners of the society's assets, into a substantial direction and control of its administration. And be it

Further Resolved, That it is our opinion that a policyholder should be eligible for election as director of the society, and that every holder of a policy of the society should be given by law the right to vote in the election of all directors. And be it

Further Resolved, That in our opinion the interests of the society's policyholders, numbering nearly 600,000, scattered throughout the world, and the interests of the great body of the society's agents, who are dependent for their success and livelihood upon the maintenance unimpaired of the prestige and popularity of the society, require that the control and administration of the great concerns of the society should be placed upon firm, just and enlightened foundations, so that its direction shall be free from doubt or suspicion as to its impartiality, disinterestedness and fidelity. And be it

Further Resolved, That in our judgment the questions presented by the existing conditions within the society are of a distinctly public character; that there is a plain public interest in their prompt and just solution, and that the Legislature is the only quarter where there is hope of the immediate and effectual relief demanded by the situation. And be it

Further Resolved, That a committee of the agents and managers here assembled, consisting of one or more members from each State, of which the chair shall be one, be appointed by the chair, with instructions to immediately wait upon the Superintendent of Insurance of the State of New York, and his excellency the Governor of the State of New York, and to present to each a copy of the foregoing resolutions.

The resolution called forth considerable discussion and a split occurred on the vote. The result showed that 157 of the general agents favored the resolution while thirty-four voted against it.

The meeting then adjourned for Tuesday, but was resumed at the same place on Wednesday morning with Mr. Powell in the chair.

After an acrimonious discussion a resolution calling upon Vice President Hyde to resign his office in the society was adopted by a vote of 175 to 13; some of the agents favoring Mr. Hyde absenting themselves. It was decided to make the demand in the following letter to be presented to Mr. Hyde by a committee composed of Joseph Bowes, of Baltimore, as chairman; W. J. Roddy, of South Carolina; F. L. Levy, of New Orleans; C. J. Edwards, of Brooklyn, and Charles Wake, of New York.

We, the general agents and managers of the Equitable, assembled in convention from all parts of the United States and Canada, are personally and through our agents in closer touch with the people, and knowing the deep seated convictions of the policyholders are deeply deploring the necessity for our action, therefore sincerely and earnestly appeal to you, on behalf of the Equitable, to the creation and upbuilding of which your father devoted his life, and for the sake of its policyholders and its agents, to set aside all personal interests, and now voluntarily retire from the vice presidency.

HENRY J. POWELL, Chairman.
F. A. MCNAMEE, }
FRANK L. LEVY, } Secretaries.
J. W. ESTES, }

The committee was directed to wait on Mr. Hyde the following morning.

At the final meeting of the general agents on Thursday, on motion of Mr. Woods, the following resolution was adopted:

Whereas, We believe that when we return to our homes we shall be in a position to convince our policyholders that their cause is being successfully championed; and

Whereas, This body is formally committed to mutualization and faithful administration of the society's affairs; and

Whereas, Policyholders' committees are being organized in various parts of the country; therefore, be it

Resolved, That this body recommend and urge upon each one of its members the necessity upon his return to his field of organizing his policyholders into a compact body, who are prepared to demand and enforce their rights under his leadership, and that he immediately proceed to organize his agency force to act as his lieutenants in a campaign of this kind, inviting his policyholders to communicate through him with the officers and directors of the society, instead of allowing themselves to be drawn into organizations not so thoroughly equipped for bringing about what every policyholder of the society ardently desires.

The last act of the convention was to perfect a permanent organization to be known as the National Association of Equitable Managers and General Agents. The officers and executive committee were elected as follows:

President, Edward A. Woods, Pittsburgh; vice presidents, F. H. Hazleton, Portland, Me.; A. M. Shields, San Francisco; C. E. Townsend, Boston; S. P. Stearns, Montreal; W. J. Roddey, Rockhill, S. C.; A. B. Newman, Chicago; secretary, Charles Wake, New York city; treasurer, F. P. Chapin, Toledo; executive committee, C. J. Edwards, Brooklyn; Joseph Bowes, Baltimore; Archibald C. Haynes, New York city; F. A. McNamee, Albany; J. S. Kendrick, St. Louis; F. L. Levy, New Orleans, and R. L. Hart, Philadelphia.

MR. HYDE REFUSES TO RESIGN.

The committee of general agents, headed by Chairman Bowes, called upon Vice President Hyde at his residence, No. 9 East Fortieth street, on Thursday morning at 9:30 o'clock. Mr. Hyde received them courteously alone, and Mr. Bowes spoke as follows:

I am charged, sir, with a somewhat disagreeable task, the bearing to you of a request from a convention of managers and agents now assembled in the Hotel Savoy, that you voluntarily resign your position as vice president of the Equitable.

Mr. Hyde, with regard to this request there are a number of points that I wish particularly to emphasize. I want to call your attention to the fact that this request was made almost unanimously by the managers and agents at the Hotel Savoy yesterday, the actual vote, I think, being 175 to 13. I want to

call your attention to another characteristic of their request; that it was made after four or five hours of deliberation; therefore, it was not hastily done. It was, moreover, the outcome of a numbers of attempts to tone down, to eliminate harsher features of several propositions of the same kind that were before the convention.

I want to call your attention to another feature of this request; that it was made by managers and agents from all parts of the country, from Maine to California, from the snows of Canada to the Gulf of Mexico. I want to call your attention, Mr. Hyde, to another feature of this request, that it was made by agents, every one of whom is actuated by the most intense loyalty to the Equitable, whose hearts beat in sympathy with the progress, welfare and safety of the great institution founded by your father. I want, also, to call your attention to another feature of this request, and that is that it is made by men fresh from the fields of the great body of our policyholders, who have been in communion with them, who have been associated with them, and who are, therefore, supposed to know what these policyholders think and how they feel over the situation.

I wish, further, Mr. Hyde, to call your attention to the fact that this request comes from men every one of whom carries large policies in the Equitable, and who have all of their earnings for five, ten, fifteen, or even twenty years locked up in the prosperity, growth and future welfare of this society, and who are therefore interested in its management as no other man or body of men can be.

Mr. Hyde, this is a supreme moment, sir, in your history. It is a supreme moment in the history of the Equitable. It is fraught with tremendous issues of weal or woe to the Equitable. I beg of you, sir, respectfully, but in a spirit of the utmost good will, that you will take this request under consideration and give it attention at the earliest possible moment.

Mr. Hyde listened to the chairman's address, and then said:

In the first place, I have no intention of resigning the office of the vice presidency of the Equitable. Such a course I would consider cowardly and disgraceful to the memory of my father. Secondly, it is evident from your extraordinary request and from the report of the proceedings at your meeting that you have not the remotest conception of this unfortunate controversy or the motives behind the selfish struggle for the control of the society. I think, however, that you are entitled to know something of the real facts on which my attitude is based, and I will, therefore, write you tomorrow in reply to the request made in this remarkable communication.

I think, however, that your request might have been far more justified had it been made to those having no interest in the society who precipitated this unfortunate controversy and are keeping the agitation alive to serve their own selfish purposes. You will hear further from me tomorrow.

Of course, you gentlemen must know that the questions at issue are now in the hands of the Department of Insurance and Mr. Frick's committee, who, I think you will agree with me, are the ones to judge. It is but fair to them to say nothing further.

I appreciate how greatly you have been afflicted through this misfortune, but I tell you again that the best way to bring about a satisfactory conclusion is to remain loyal to the Equitable and not to do anything before the report of the investigating committee. On reflection I think that you will be able to see impartially and to judge these matters which are now the subject of controversy in our society.

The committee then withdrew, and proceeding to the Savoy Hotel reported to the meeting then in session that the vice president declined to accede to their request.

The general agents in convention assembled having shown by their action that they are overwhelmingly in favor of the president and Vice President Tarbell in the present controversy, the comparatively few dissenting agents have put forth the following statement:

The meeting was packed. Mr. Tarbell got control of the agents by holding out to them the fine things they would have when he became the real power in the society, having ousted the vice president and superseded Mr. Alexander, who was scheduled to become only a figurehead. Nearly all the men who are prominent in this agents' demonstration are heavily in debt to the society for advances on renewal accounts. Some of them are really salaried men, who, according to the call sent out, had no right in the conference. Among these are Saunders, of Michigan, and Deneen, of Toronto. A member of the committee of resolutions is Elmer Dwiggins, of Iowa, who was active in swelling the volume of business in the "Tarbell month," and has been advanced $5,000 a month during the last year, and now owes the society about $50,000. Mr. Allenberg is a member of the firm of Allenberg & Fleming, of Spokane and Seattle, Wash. The society has recently advanced the firm $113,000, and it owes $130,000. Many good men who handle agencies all over the country were excluded from participation in the meeting by Mr. Tarbell because he feared their influence would be exerted to protect the interests of the Equitable against the extreme measures contemplated.

CORRESPONDENCE RELATIVE TO CERTAIN SYNDICATE PROFITS.

Vice President Hyde, having been charged with making restitution of $122,000 as his share of profits obtained out of various syndicate operations in which securities were sold to the society, addressed the following communication to Chairman Frick of the investigating committee:

NEW YORK, April 15, 1905.

H. C. Frick, Esq., Chairman of Investigation Committee of the Equitable Assurance Society:

DEAR SIR—Your committee has enjoined me and all the officers of the society from discussing in the public press matters covered by your proposed investigation, and it has been impressed upon all of us that the daily publication of scandal may gravely injure the society's business.

I have absolutely kept faith in this matter, but I will no longer suffer the concessions which I have made for the benefit of the policyholders and the society, and the steps which I have voluntarily taken, to be misrepresented and distorted in the public press by those who have not kept faith and who will never keep faith.

This morning's papers contained certain statements about me which are designedly misleading and essentially false. I therefore propose to make the facts known. They are as follows:

At the outset of the present Equitable controversy I was charged with having been a party to various underwriting syndicates known as "James H. Hyde and Associates," where participations had been taken and where it was claimed that the underwriters had made a profit by use of the funds of the Equitable Society.

No such profit had, in fact, been made by the use of the funds of the Equitable, but there had been a syndicate known as "James H. Hyde and Associates," including James W. Alexander, president of the society, whose participation was always equal to my own, and this syndicate had been underwriters of a number of banking issues of securities, and the Equitable Society purchased in some instances, in the ordinary course of business, securities which had been underwritten by this syndicate.

At the outset of this controversy Mr. James W. Alexander and I were both advised by counsel that as to any such syndicate transactions in which any officers of the Equitable Society had been interested, a full statement should be made up and laid before the board of directors, and whatever law and justice required regarding them should be done by the officers concerned.

Following the advice above referred to, I examined all these syndicate transactions and deposited my check for $61,446.92 with the treasurer of the society as trustee. This amount represented my entire profits from syndicate transactions of the character above mentioned, with 6 per cent. interest up to the date of such deposit. This deposit was accompanied by the statement that I made it because I preferred to have any question about this matter settled with the money under the control of the society and that this deposit was made for the benefit of the society if the board of directors thought the money should be retained by it, or returned to me if it should be determined that I was entitled to it. In other words, this money was deposited to be disposed of as the propriety of these transactions might be finally determined. I made no restitution. I admitted no wrongdoing. I admit none now. I merely put the society in the position to make itself good so far as I was concerned if it should be determined by proper authority that transactions of mine, innocently made—made with the sanction of universal precedent, made with the approval and following the example of the president of the society, made without the concealment of any facts and made without intent to injure the society and with no such injury as their result—raised a situation either technically or substantially entitling the society to profits which I supposed, and now believe, were legitimately mine.

My concessions have been deliberately misconstrued, my silence has been misrepresented, and the self seeking persons who have prepared the present trouble and who, masking as friends of the policyholders, are striving to deprive me of my property and to secure for themselves continued control of the society, persist in violating faith and in publishing and conniving at the

publication of attacks on me, supported by garbled extracts from the records of the society, including the correspondence of the president, to which these persons have or are given access.

I shall do all in my power to carry out the amended charter, giving the policyholders the selecting of the majority of the board. Beyond this I will make no further concessions from my legal rights, and I shall defend as well as I may the rights which I have reserved.

You shall have my earnest co-operation in making your investigation searching and its results full and honest; but you must protect me from these infamous daily attacks in the newspapers or put me at liberty to make my own defense in my own way. I have to request that you cause this communication to be published; otherwise I shall be compelled to secure its publication. I am, very respectfully, JAMES H. HYDE.

On being shown the above letter President Alexander gave out the following answer in writing:

Mr. Hyde's statement on the subject of alleged syndicate participations by me is untrue. On receipt a few weeks ago of a letter from Mr. Hyde, accompanying the checks to which he refers, I stated to him that the matter was one that ought to be fully sifted, and I requested that I be furnished at once with a complete statement from him on the subject. This request has not yet been complied with.

No disclosures as to Mr. Hyde's acts have got into print through me. I may say that many statements intended to be injurious to me have been given to the press by those interested in defeating the movement set in motion by me for the benefit of the policyholders.

These statements I have traced to press bureaus identified with Mr. Hyde, but I have preferred to suffer these baseless attacks upon my conduct and motives rather than resort to such methods in a contest for principles which I regard as vital to the discharge of duties which are more grave and onerous than any that I have ever been compelled to perform.

When Mr. Hyde's communication was made public President Alexander, addressing Chairman Frick, wrote as follows:

DEAR SIR—I have read in the newspapers Mr. Hyde's communication addressed to you under date of April 15. I deny that I have ever knowingly participated in the profits of any syndicate for the purpose of underwriting bonds or securities of which the society became a purchaser. Mr. Hyde's statement to the contrary is incorrect. I do not know who composed the syndicate which Mr. Hyde described as "James H. Hyde and associates."

The records of the so called syndicate are all in the possession of Mr. Hyde. I have been denied access to them, despite repeated requests for the facts which they contain. I have repeatedly stated to Mr. Hyde that I would not be a participant in any syndicate formed for the purpose of selling securities, underwritten by it, to the society, and have cautioned him against involving himself in such participation.

Early in January Mr. Hyde delivered to me two checks aggregating $40,000, which he stated were profits from my allotted participation in certain syndicates with which I found upon prompt investigation had underwritten securities to be sold concurrently to the society. As soon as I learned this I declined to avail myself of these profits and forthwith turned the amount over to the society's cashier. Contrary to Mr. Hyde's intimation this was before any controversy had arisen in the society, and not upon the advice of counsel as stated in Mr. Hyde's letter, but solely upon my own judgment as to the propriety of the transactions.

Upon this subject I beg to call your attention to the following letter of March 22 received by me from Mr. Hyde:

NEW YORK, March 22, 1905.

"DEAR MR. ALEXANDER—As you and I have made no progress in reaching an agreement as to the proper disposition to be made of the syndicate transactions which have been criticised, I have myself had an examination made of them.

"Now that the mutualization question is out of the way, I see no reason for further delay in our getting together and deciding so far as the decision rests with us, just what there is in any of the criticisms which have been made.

"It never occurred to me until the recent controversy began that any of these transactions were open to criticism. They were a mere continuation of a custom which I found to be in existence when I came into the society and as far as I can recall were made with due regard to the interests of the society and were beneficial and profitable to it.

"But I have now taken advice about them and have made up my mind that there has been allotted to me out of the profits of these syndicate transactions the sum of $63,233.51, as to which there may be a reasonable basis for a claim that I should account for it to the society. I would rather have any question about this settled with the money under the control of the society than to keep any power to withhold it, and I have accordingly drawn and am about to deliver a check for that sum to M. Murray, trustee, for the benefit of the society, if the board thinks the money should be retained, or returned to me if the board determines that I am entitled to it.

"There is also the matter of the Cambon dinner, the cost of which was thought a proper charge to advertising, following the common custom of other companies concerning such entertainments. There is no legal liability about it, but as the dinner was given partly in my name I prefer personally to pay its cost, which was $13,089.41. I have, therefore, sent my check for this amount with interest to M. Murray, trustee.

"It is now several weeks since we first discovered the propriety of these adjustments. Can we not get together about it at once, and determine whether what I have now done is beyond or is in any way short of what I ought to be called upon to do?

"Yours truly, JAMES H. HYDE."

On March 24 I replied to Mr. Hyde as follows:

MARCH 24, 1905.

"DEAR MR. HYDE—I beg to acknowledge receipt of your letter of the 22d of March, which I received yesterday, accompanied by your check to the order of the society's cashier for the sum of $76,322.99. I handed the check this morning to the cashier, and found that in the meantime a duplicate check had been sent to him by you, and he now has both checks. You say that we have made 'no progress in reaching an agreement as to the proper disposition to be made of the syndicate transactions which have been criticised.'

"The only criticisms of which I have any knowledge are those which I have myself expressed, and I am not aware that any agreement as to the proper disposition of these transactions is necessary between you and me. Therefore, I must say that I cannot understand what you mean in intimating that there has been any delay for which I am in any way accountable. When I brought up the matter of your personal transactions at a meeting of the special committee of twelve recently appointed by the board of directors, the progress for which you have seemed so anxious could readily have been made had you then expressed your desire to have them investigated. You are mistaken in saying that the receipt by you of syndicate participations or profits was a mere continuation of a custom which you found in existence when you came into the society.

"I do not know from your letter how you make up the sum of $63,233.51, as to which, as you say, you have made up your mind that there may be a reasonable basis for a claim that you should account for it to the society. I am therefore not prepared to acquiesce in the suggestion of your letter that it covers everything in the category specified. This is a matter which must be thoroughly sifted. If you will have prepared a complete statement of the matters which are the subject of your letter, together with the records of your office in connection therewith, I will be in a position to pass upon them. I need not remind you that your office is in possession of all data on these subjects.

"As to the Cambon dinner, I must express my astonishment that it should have been treated as an advertising scheme which you supposed would benefit the Equitable Society. Until I received your letter, I always understood and believed that the dinner was given by yourself and Senator Depew as a personal and social compliment to the French Ambassador. So the invitations read; and I personally accepted and attended as your guest on that supposition. How you came to charge this dinner to the society without the knowledge of the president is a subject upon which I ask information. As the president of the society I also ask you to let me know what, if any, other personal items you have paid for out of the funds of the society.

"Let me express my surprise that the advisers to whom you refer should have allowed you to make such an unwarranted and unfounded imputations of delay on my part. I can conceive of no other motive prompting the report to such imputations than to make a record, which they imagine will in some way tend to exculpate you or involve me. The facts cannot be changed by any such method. Yours sincerely,

"JAMES W. ALEXANDER."

Mr. Hyde wrote me again on March 27, substantially repeating what he had previously said in relation to his payment to the society's cashier of profits which he had derived from certain syndicate participations and saying, with reference to the Cambon dinner, that, as he had already sent a check for its amount, there was no occasion for further discussion of it.

I replied further, under date of April 5, reiterating my request

for a complete statement of the transactions described by Mr. Hyde and again reminding him that all the pertinent data on the subject were in his exclusive possession. I beg to remain yours respectfully, JAMES W. ALEXANDER.

Following the above correspondence the following letters were made public:

MR. HYDE TO MR. ALEXANDER.

APRIL 17, 1905.

DEAR SIR—I see by the papers that you deny the statement contained in my letter to Mr. Frick, that you participated in the syndicates therein mentioned. If you made this denial, please inform me whether you received from me the following cheques:

Cheque to your order, dated July 30, 1902..... Metropolitan St. Ry. 4s of 2002 Syndicate.	$4,531.58
Cheque to your order, dated April 29, 1904..... Phila., Balto. & Wash'n and L. I. 4s. Syndicate.	2,982.64
Cheque to your order, dated June 1, 1904..... Imperial Japanese Sterling 2d Syndicate.	2,928.00
Cheque to your order, dated July 11, 1904..... Imperial Japanese Sterling 6s Syndicate.	3,204.43
Cheque to your order, dated Oct. 18, 1904..... P., C., C. & St. L. 4s Series F. Syndicate.	5,130.73
Cheque to your order, dated Oct. 24, 1904..... Norfolk & Western Div. 1st Lien Syndicate.	1,879.00
Cheque to your order, dated Jan. 11, 1905..... Imperial Japanese Sterling 6s Syndicate.	28,266.81
Cheque to your order, dated Jan. 23, 1905..... Oregon Short Line 25-Year 4s Syndicate.	12,523.73
Total (without interest).....	$61,446.92

Yours very truly, JAMES H. HYDE.

MR. ALEXANDER TO MR. HYDE.

NEW YORK, April 18, 1905.

DEAR SIR—Replying to your letter of yesterday, permit me to say that you will know the disposition I made of the checks in question, and you have no occasion for addressing any inquiry to me on the subject.

I decline to be drawn into a disingenuous correspondence with you for the purpose of covering your position and perverting the facts. Yours truly, JAMES W. ALEXANDER.

Mr. Untermyer, counsel for Mr. Hyde, commenting on the above correspondence, said:

These transaction tell their own story of the equal interest and participation of Mr. Alexander. The transactions were entirely legitimate, and there is no just ground for criticising Mr. Alexander or anybody else for being interested in them.

There were other like operations of this same syndicate, such as the Mercantile Marine, in which the syndicate members lost their money, and in which the society took no participation.

LEGAL PROCEEDINGS THIS WEEK.

In the Lord stockholders suit for an order to restrain the officers and directors from mutualizing the company, Justice Maddox, of the Supreme Court, this week permitted other stockholders, representing sixty-eight shares in all, to intervene. Further argument in the case was heard on Thursday.

Herbert G. Tull's application to require the Equitable and the Superintendent of Insurance to show cause why an order should not be made staying them from further proceedings to amend the charter until a trial can be had of Mr. Tull's action to compel the society to divide its surplus among the policyholders was granted by Justice Scott, of the Supreme Court on Tuesday, and on Thursday Attorney General Mayer appeared in opposition to the order. He argued that it would tresspass upon Superintendent Hendricks' judicial authority, and raised the question of jurisdiction. The hearing was finally adjourned by the court until next Monday.

At Columbus, Ohio, on Wednesday, D. E. Williams, attorney, asked the Insurance Superintendent of Ohio to take proceedings to oust the Equitable from the State. The superintendent refused to take such action on the ground that the company had done nothing to warrant it.

On Wednesday, at New Orleans, Edgar M. Cahn, an attorney, filed suit in the civil court on behalf of himself and other policyholders of the company in Louisiana, asking for a receiver under the law of that State and for an accounting of the company's affairs.

FAITS DIVERS.

Four citizens of Boston have organized a committee for the protection of the policyholders in New England. The chairman is William Whitman, president of the Arlington Mills, and the other members are George P. Field, of Field & Cowles, also president of the Boston Board of Fire Underwriters; Arthur Amory, of Amory, Browne & Co., and Edwin H. Abbot, a lawyer and former president of the Wisconsin Central Railroal. The counsel of the committee is Louis D. Brandeis, of Boston. The chairman, Mr. Whitman, has made a statement in which he disavows its desire to take any side in the controversy. "It may be," said he, "that we shall have nothing to do. We do not claim that the interests of the policyholders are in jeopardy, or that the affairs of the society have been misgoverned. We are organizing simply as a precautionary measure, so that we may be in a position to protect our interests in case they need protection, and in so doing we are willing to have all New England policyholders who may care to do so join with us."

A committee appointed at the general agents' meeting to present the appeal to Superintendent Hendricks and to Governor Higgins, asking the latter to bring the Equitable troubles to the attention of the Legislature, went to Syracuse yesterday to see the superintendent, who is at present at home in that city.

Senator Brackett's resolution in the State Senate to allow policyholders to institute suits against life insurance companies for an accounting, was, after a long and angry debate, defeated on Wednesday by a vote of 36 to 7.

Mr. F. W. Haskell, a well known auditor and mathematician, and president of the Carborundum Company, of Niagara Falls, N. Y., has been selected by Chairman Frick as his principal assistant in the investigation of the affairs of the society. United States Senator Philander C. Knox, late Attorney General of the United States, has been retained as counsel for the committee by the chairman.

It was reported yesterday that ex-Ambassador Choate, whose arrival in this country is expected next week, has been retained by Mr. Hyde as counsel in place of Mr. Root, who has other engagements of a public and professional nature.

THE LATEST.

The statement was given out yesterday that under a resolution that cannot be misunderstood, which was adopted at a meeting of the executive committee of the Equitable on Thursday, all persons connected with the society, even to the lawyers, are forbidden henceforth to give out any information concerning the society or the Hyde-Alexander difficulty.

The President of the Travelers on the Value of the Stock Plan in Life Insurance.

President Dunham has written a letter to Mr. Philip E. Young, of Elmira, N. Y., replying to some objections made by that gentleman to the joint stock form of life insurance and explaining its advantages to policyholders from his point of view. He says:

DEAR SIR—Your letter of the 27th has been received. Your position seems to be that a stock life insurance company may reinsure its outstanding risks, whether written upon the participating or non-participating plan, and may distribute its surplus to its policyholders, and that this may be done with propriety, so far as non-participating business is concerned, but that it is manifestly improper to treat participating policyholders in that way.

I do not question the correctness of your conclusions based upon the premises you assume, but there is an infirmity in the premises, at least so far as your query applies to the Travelers or to any other stock life insurance company in Connecticut. Such companies are governed by the general statutes, which provide that no life insurance company shall amalgamate or reinsure, except after proceedings and under restrictions definitely fixed by the law. For the particulars of these provisions see Sections 3557, 3558, 3559, 3560 and 3561, of the revision of 1902. Practically the same statute has been in force since 1868 and has become the settled policy of the State.

In order to effect such amalgamation or reinsurance, an application must be made to the Commissioner of Insurance of this State, whose duty it is to call into consultation with him the commissioners of two adjoining States. These gentlemen constitute a court. They give notice to all policyholders and other interested persons. Witnesses may be summoned and their attendance compelled. All the particulars of the company desiring to reinsure must be laid before the court. The court may permit such reinsurance or amalgamation, if satisfied that the interests of the policyholders are properly protected, and they may make disposition of the assets as they may consider just and equitable. All the members of the court or commission must concur in the decision. It is by law made the express duty of the commission to "guard the interests of the policyholders of the companies proposing to amalgamate, consolidate or reinsure."

This statute is probably a sufficient answer to your inquiry, and it seems hardly necessary to go further and to point out that if a stock company writing participating insurance should desire to reinsure its participating contracts it would be made the special object of scrutiny by the commission. The non-participating contracts—assuming the solvency of the company—would take care of themselves. Their value would be definitely measured and the duty of the commission would be dischargd by seeing that the company assuming the reinsurance provides a sufficient reserve to carry them to maturity. But when such a commission came to the consideration of the participating contracts of a stock company it would be its duty (and it would not hesitate to perform it) to see additional provision made for the additional values purchased by the additional premiums.

It is by no means true that the holders of participating policies in stock companies are the victims of the caprice or the beneficiaries of the grace of the gentlemen in charge of the interests of the company. A responsible life insurance company has more at stake than dividends to its policyholders, and the serious relation it assumes to its patrons is not only abundantly protected by law, as I have shown, but it is a subject binding upon the moral and business consciences of the men who conduct the affairs of the company. Nothing is or can be of greater value to an insurance company than its reputation. It takes years of upright conduct to acquire it, and once acquired it cannot be impaired in the slightest degree without danger of utter and hopeless wreck. Men of ordinary business sagacity may be depended upon to see that this most priceless element in its capital is maintained at its highest value. So long, therefore, as it is the purpose of the company to continue in business it cannot do otherwise than deal fairly and impartially with its patrons, no matter in what class they may be. If, on the other hand, it is its purpose to discontinue its business, abundant provision is made by law for such discontinuance under circumstances that will protect every interest, that of the policyholder being placed first and superior to all others.

The mutual ideal has practically disappeared from the business. Mutuality involves the notion of altruism. In pure mutual insurance, one who insures is desirous not only of providing for himself and his children, but of contributing also to the welfare of others interested in the common fund. The fraternal or altruistic element completely disappears from mutual insurance when the organization becomes so large that the members are strangers, and when their affairs are conducted through the instrumentality of officials who are liberally, and sometimes extravagantly, paid for their service to the policyholders. Modern mutual companies have outlived the designation by which they were and are still called. Those who insure in organizations known as mutual companies do so because they hope to get more for their money than by insuring in a stock company. In such companies the surplus corresponds to the capital and surplus of stock companies, and the policyholders are not only policyholders but stockholders, because theoretically they own the entire capital and surplus. They hope for returns upon that part of the company's resources that corresponds to the capital of a stock company, in addition to the insurance represented by their policies.

It is well known that net results do not differ materially among the responsible companies of both classes, which shows that upon the whole the business of life insurance is conducted upon equitable principles. Indeed, no company could be guilty of gross abuses without exposing itself to such criticism and distrust as to drive it out of the field. What will result to the companies now under critical observation remains to be seen. If it shall be proved that gross abuses exist and have long existed, the companies cannot hope to escape some penalty. The public has its own way of devising and inflicting appropriate remedies and penalties in such cases.

The supreme test, after all, is whether those seeking insurance commit their interests to the hands of conscientious men. Given a company possessing resources adequate to the business it undertakes, premiums and other advantages substantially equal, it seems to me that the first and all important inquiry for anyone seeking to insure to make is whether the company he expects to patronize has had a history of honorable dealing with its patrons, is now in the control of honorable men who appreciate the gravity of the trust they have undertaken, and who will be succeeded from time to time as they retire by men trained in the spirit, traditions, standards and purposes of the institution, and who will as conscientiously maintain such standards and purposes as their predecessors have done.

To my mind such arguments as exist favor the stock method. No autocratic ruler is more firmly established in his tenure of office than the president of a mutual company. He has control of the agency organization and through them of the proxies, and it is a hopeless task for any outsider to organize a campaign against the president by means of policyholders' proxies, unless to correct abuses almost criminal in their character. The officers of a stock company are, on the other hand, directly accountable to a board of directors and to stockholders having a keen and watchful interest in the affairs of the company, and who will not permit abuses or extravagances or anything whereby the reputation of the company is likely to suffer in the slightest degree.

I believe the majority of men are honest and prudent with the affairs of others committed to their charge. But all men are watchful of their own interests. If I am about to make strangers the trustees of an important part of my estate, to be administered after I am dead, I would prefer those who have occasion to be watchful of their own interests as well as mine, and who have such an interest in the trust that my estate cannot be impaired by any act of the trustee until the estate of the trustee is exhausted in my favor by the same act. That is insurance in a stock company.

A nominal capital, intended originally to furnish security until the company should become established, diverted from that use to the possession of one man, and by him used to maintain control of the company against the wishes of its real owners, is neither better nor worse than nominal mutuality. The practical operation of both is as bad as a legislature with no working minority. The better plan is a company organized with a substantial capital, distributed among several hundred stockholders, who really elect their directors and who will have none who do or suffer to be done anything that will reflect discredit upon the company.

The company's reputation, as I have indicated before, is that possession of the company which must be guarded with the most jealous care. It is the means upon which the company depends for its continued success, and without which success is impossible. The stockholders know and understand this better than anyone else, and if they have once placed their affairs in charge of men entitled to confidence, there is little danger that they will ever permit the standard to be lowered. Sincerely yours,

S. C. Dunham, President.

Mr. Dunham quotes the following from an editorial on the mutual plan of life insurance in the *World's Work* for April, which said:

Theoretically, every such company should have directors who are elected by the real owners of the property and the real owners are the policyholders. * * In mutual companies the policyholders do not really elect the directors. The managers of the companies secure proxies and elect whom they please, so long, at least, as the policyholders regard the company as safe and well managed. The advantage of the mutual plan appears only in times of mismanagement or of suspicion. Then the policyholders may organize themselves and use the power which they do not exercise at other times. But even then the officers of a mutual company, through its agents, would be practically certain to have a majority of the policyholders' proxies.

Mr. Crosby on Conflagrations.

Mr. Uberto C. Crosby, who retires as president of the New Hampshire Fire insurance company to take the United States managership of the Royal Exchange Assurance Company, spoke at a meeting of the Manchester Board of Trade on Wednesday of last week on the subject of fire insurance. In the course of his remarks he said:

I always welcome an opportunity to discuss with my fellow citizens and the insuring public matters relating to fire insurance. I have always had the feeling that the interests of the insuring public and the companies were mutual; that anything that tends to improve property and reduce the loss ratio is for the interest of the companies as well as the party insured. This position seems to be demonstrated by the fact that the class of risks having best conditions as to construction and protection and paying the lowest rates are the classes on which we make the largest percentage of profit. The destruction of property by fire is in this country a serious question and the loss every year is enormous. Last year it was about $252,000,000. Losses for the first three months of this year are about $56,000,000, and the average for the last five years is somewhere in the vicinity of $175,000,000.

There is a very heavy loss beyond the amount paid by insurance companies. I have been asked to explain to you certain conditions of rate making. I think more or less dissatisfaction frequently expressed by the assured is due to the fact that they do not understand the underlying principles having to do with the making of rates. From their standpoint their risk is better than their neighbor's who pays a lower rate and the whole question of rate is a sort of Chinese puzzle. Rates are based on the law of average. The merchant or the manufacturer when selling an article knows when he sells it that individual piece that he is selling it for more or less than it actually cost him. There is no known cost to a single policy of insurance. We issue, for example, a policy of $5,000 on property and receive a premium of $50. If no fire occurs the premium is all profit, less the cost of doing business. In case it is a total loss we lose one hundred times the amount of premium. You can see that the rates must be based not on the actual cost of carrying a single risk, but on the average. All companies keep some kind of a classification; that is, risks are divided into different classes and then subdivided into brick, frame, protected, that is, within 500 feet of a public hydrant, and outside of protection.

These classifications give the number of risks of each class, the amount insured, the amount of premium and the ratio of loss to amount insured and to the premium. In certain classes having a large number of risks the experience of the average agency company will tell fairly the average cost of insuring the class. There are certain classes always unprofitable and yet every agency company feels obliged to carry a certain amount on these classes. Farm property, clothing manufactories of all kinds, country hotels, all omnibus manufacturing risks of more than two tenants and very many classes of manufacturing risks, mercantile stocks as a class. All of these are written far below the cost. There are two kinds of rates: Flat or minimum rates and schedule rates. Minimum rates are largely applied to certain non-hazardous classes, such as dwellings, stables, churches, country stores, etc. The rate is obtained by taking say the experience on a thousand stores of all kinds, ascertain the amount of premium necessary to pay the losses and then make that the minimum. In other words, no matter whether the risk is good or bad, it has the same rate. A flat rate, so called, is when we guess that a risk is worth so much without any formula to assist in arriving at the conclusion.

Schedule rates are obtained by application of a schedule. Starting with the conditions of an agreed standard risk as to construction and protection, making a minimum rate for that, then charging for defects, such as open elevators and other vertical communications between floors, poor location of the heating apparatus and absence of various forms of protection. Schedule rating is growing in favor and it is likely to largely supersede all other forms of rating. It seems to have the general indorsement of the insuring public for the reason that it gives the assured in each case a knowledge as to how his rate is made and gives him practically the making of his own rate. It also, as you can see, encourages improvement in construction and in protection. There are very few, if any, schedule rates in this State. Manchester is not rated by schedule. I could talk the whole evening on various forms of schedules and their defects and advantages, but I am sure you will not be especially interested in it. The application of schedule rating is somewhat expensive and is expensive to keep up, but I am a thorough believer in the general principles of this form of rating and believe in adopting it wherever it can be intelligently and satisfactorily applied. Some time, I hope, we will have it here in Manchester.

The conflagrations are occurring with increased frequency and are causing considerable alarm to underwriters. No doubt it is largely due to the enormous concentration of values to the large increase in height and area of risks. This feature is receiving special consideration. Careful inquiry indicates that the rates paid in congested districts of our large cities are wholly inadequate to pay the average loss, to say nothing about the danger from conflagrations. The conditions surrounding these conflagrations are interesting. They are generally supposed to be due to unusual and abnormal conditions, but it is a matter of fact that this is not true in every case. Conflagrations have occurred at the time of day favorable and under conditions normal. The Baltimore fire, for instance, occurred about 10 o'clock in the morning, with no unusual conditions; and yet it was a raging fire almost from its start. One thing is clearly demonstrated, that whenever a fire gets beyond the reach of the department it will burn itself out; whichever direction it takes it will go until it reaches the open fields, the water or sand dunes.

Spring Tonic.

A strong spring tonic letter, by President L. G. Fouse, of the Fidelity Mutual Life, to his field staff, contains among other things the following readable paragraphs:

The outlook for the spring is excellent. There probably has never been a time in the history of life insurance when the conditions were so favorable to the smaller and younger companies as they are now. If agents will live up to their opportunities, will take advantage of the agitation going on with reference to concentration of wealth and the desirability of keeping conditions wholesome by active competition, which fosters the development of the individual, they are certain to secure a good share of the business. John D. Rockefeller, Jr., in delivering a lecture before the students of Brown University, defended the trusts and used the American Beauty rose as an illustration. He said that all the other buds had to be sacrificed to one in order to get the best result in cultivating the American Beauty. Dr. Hillis, of Plymouth Church, and others have been giving him broadsides. His illustration has been assumed to signify that 999 out of every 1,000 of the smaller business concerns must be sacrificed in order to have the ideal American business beauty. This interpretation of the Rockefeller phrase may or may not be just. The horticulturist might say that justification depends entirely upon the purpose for which the rose is raised. It is undoubtedly the case that if all the buds are sacrificed to one, this one will produce a superior flower, but the question is, for market purposes, for practical purposes, would not a half dozen smaller roses emit more of the delicious perfume, have more beauty even, though each may be a trifle smaller, than the one giant rose? Practically, almost anyone engaged in raising the flower would rather sell six roses for $5 raised on the same stalk than one rose for $3 on the same stalk. There are probably life insurance horticulturists that would like to nip all the buds except their own, but that is not the spirit of the general public. It is true that the life insurance stem should be kept clean and clear of growth that will sap its vitality and interfere with a wholesome development. The sting of speculation and extravagance must be prevented, and any kind of fungus growth must be quickly nipped in order to get the best results. There are mischievous little bugs with which the horticulturist has to deal in order to keep the growth wholesome, and there are bugs which attack the life insurance stem. No public spirited person, however, would for one moment wish or attempt to nip the bud of any clean and prosperous life insurance growth. On the contrary, its growth should be encouraged and assisted by the nourishment of public confidence and by the earnest co-operation of all to whom its care is entrusted.

The death of Jay Cooke last February recalls his gigantic services to the Government in the Civil War; his failure for an enormous sum in the panic of 1873; the subsequent recovery of his fortune and his payment of every creditor, dollar for dollar. Jay Cooke was a great man. When asked how he was able at over fifty years of age to bring success out of his ruin, he replied: "By never changing my hopeful temperament. I have

(*Continued on page 409.*)

Life Insurance Business in Oregon in 1904.

(Compiled from a Statement by the Insurance Commissioner.)

COMPANIES.	Policies Issued.		Policies in Force Dec. 31, 1904.		Premiums Received	Losses Paid.
	No.	Amount.	No.	Amount.		
Ætna	62	$181,425	384	$680,829	$22,401	$8,168
Bankers, Iowa	464	928,000	2,071	4,142,000	33,173	16,000
Bankers, Nebraska	27	49,500	37	69,000	2,198	.....
Bankers Res., Omaha	26	55,000	26	55,000	2,034	.....
Connecticut Mut.	30	40,643	227	385,845	8,735	9 302
Conservative	251	537,522	302	798,262	21,741	5,133
Des Moines	149	614,000	150	610,500	17,588	.....
Equitable, N. Y.	508	1,025,787	2,376	6,020,078	228,843	25 932
Fidelity Mutual	36	100,093	162	362 369	12,551	2,500
Germania	85	110,000	143	233,665	8,526	14,743
Home	.....	.....	121	225,466	7,040	.....
Manhattan	123	216,578	577	1 318,605	46,566	1.400
Massachusetts	293	533.351	1,518	3,149,115	112,195	35,000
Metropolitan	4,962	1,101,471	8,790	1,721,915	59,100	8,179
Minnesota Mutual	33	85,120	77	200,120	6,387	.....
Mutual Benefit	111	287,674	561	1,426,644	51,187	12 000
Mutual Life, N. Y.	1,499	2,953.485	3 580	7,641,988	292.140	64.080
Mutual Reserve	144	423,490	292	765,238	30 406	53 000
National U. S. A.	2	1,600	1	1,000	.....	600
New York Life	898	1,538.115	3,249	6,901,320	261.933	105.428
Northwestern Mut.	426	1,072.000	2,777	6,760.103	242 883	44,591
Northwestern Nat.	1 2	90,992	110	75,950	9.715	.....
Pacific Mutual	738	566,388	1,319	1,646,310	55,221	17,680
Penn Mutual	403	757,926	2,157	4 583.055	172,904	39,438
Provident Savings	205	389,190	356	1,210,850	48.257	1,000
Prudential	64	68,300	63	67,300	2,569	.....
Security Mutual	.....	.....	15	25,055	927	.....
Security T. and L.	2	7,500	17	45,000	1,114	.....
State Life, Ind.	59	170,120	178	711,610	26,207	5,000
Travelers	2	4,000	51	67.487	3.759	3,000
Union Central	59	238.500	119	346,482	11,637	.....
Union Mutual	98	137,538	563	905,402	26,317	6,100
Washington	214	419,533	621	1,236,718	51,781	13.000
Totals	12,085	$14,710,841	32,990	$54,390,321	$1,877,995	$491,275
Totals. 1903	11,627	$12,128.071	28.587	$46,676 816	$1,577.252	$377,523
" 1902	9,193	10,323.282	23 531	40.098.248	1,321.930	289.662
" 1901	11,500	9,482,511	20,790	34,913,490	1,110,341	363,814
" 1900	9,581	9,808.458	18,153	31,822 624	950.180	208.128
" 1899	2,303	5,306.638	9 382	22,456,497	730.940	200.128
" 1898	1.007	4,872,497	7,299	20 481,605	625,436	292,957
" 1897	1,558	3,678,786	6,993	18,067,199	544,302	307,370

Fire Insurance Business in Oregon in 1904.

(Compiled from a Statement by the Insurance Commissioner.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$1,622,998	$51,918	$20,212
Ætna, Hartford	1,814,575	60,008	12,921
Agricultural, Watertown	521,187	39,572	26,671
Alliance, London	3,122,877	51,638	11,743
American Central, St. Louis	1,053,896	21,844	4,744
American Fire, Philadelphia	1,522,732	78,736	43,224
American, Newark	844,798	15,675	2,918
Atlas, London	1,117,025	31,301	4.502
Caledonian, Edinburgh	2,527,677	35 342	4,350
Citizens, St. Louis	603,752	13.269	4.140
Commercial Union, London	3,753,832	69.260	28 942
Connecticut Fire, Hartford	1,532 144	42,558	16,084
Continental, New York	1,859,541	35.682	5,112
Fire Association of Philadelphia	1,802,803	53 130	18,328
Fireman's Fund, San Francisco	8,762.428	146.630	44,026
German Alliance, New York	482,091	14,239	3.691
German American, New York	1,527,565	48.090	21,959
Germania Fire, New York	564.890	14,096	4 109
Glens Falls, Glens Falls	1,595,742	36,765	5,591
Hamburg-Bremen, Hamburg	1.258,387	35.456	7,099
Hanover Fire, New York	564,731	18.228	5,997
Hartford Fire, Hartford	5,119.396	91.960	13.436
Home F. and M., San Francisco	2,520,045	86.322	15,398
Home, New York	3,936,424	87,339	13,823
Insurance Co. of North America	1,171,491	31,090	9,768
Law Union and Crown, London	908,337	14.273	7,121
Liverpol and London and Globe, Liv.	4,349,155	96,935	32,217
London Assurance Corporation	2,715.605	60 256	19,741
London and Lancashire	2,411.415	53,204	39,780
Manchester, Manchester	493,842	17,284	6.182
Milwaukee Mechanics', Milwaukee	980,300	17,715	2.112
National Fire, Hartford	3.053.336	69,032	50.920
National Union, Pittsburgh	660,519	15,874	.....
New Zealand, Auckland	1,655,151	33,978	8.737
Niagara Fire, New York	2,082,158	47.500	8 281
North British and Mercantile	2,098,779	56,070	14,719
Northern, London	1 833,518	61.298	30.887
Norwich Union, Norwich	3,285,121	63.606	12,927
Orient, Hartford	1,474,448	31,708	3.514
Palatine, London	1,941,662	34,559	12.276
Pennsylvania Fire, Philadelphia	1,171,743	34,804	8,136
Phenix, Brooklyn	$802,143	$26,596	$12,615
Phœnix, London	2,289,242	49,527	9,930
Phœnix, Hartford	1,673,143	34,615	7,449
Queen, New York	2,027,075	42.129	20,781
Royal Exchange, London	2 864 688	71,906	7 843
Royal, Liverpool	6,729.041	121,313	15.738
St. Paul F. and M., St. Paul	834,872	16,806	4.081
Scottish Union and Nat., Edinburgh	1,938,823	35 521	10,191
Springfield Fire and Marine	2,409.634	67,079	16,244
Sun, London	1,519,281	44,323	7.497
Thuringia, Erfurt	216,480	25,853	18,696
Traders, Chicago	1,115,504	23,609	7,606
Union, London	2,077,414	24,529	9,354
Westchester Fire, New York	797,521	19,171	6,708
Western, Toronto	941,214	21,264	14,263
Totals, 1904	$110,557.192	$2,542,425	$775,365
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$95,531,485	$2,245,373	$1,314,660
1902	86.480,412	1,913.393	659,149
1901	6', 424,982	1,220,240	410.099
1900	56,076,089	985,888	396,682
1899	55,306 051	1,030,409	341,317
1898	50,101,902	979,264	419,763
1897	37.045,696	761 084	414,741
1896	41,980,575	848,119	394,235
1895	42,291,602	813,517	415 053
1894	45,297,428	936,068	640,947
1893	48,578 068	1,055,505	420,727
1892	64 009,443	1 270 698	729,160
1891	56,663,841	1 297,155	697,089
1880 to 1890	229,515,523	6,030 508	2,221,912

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 44 1 The percentage in 1904 was 58.5.

Fire Insurance Business in Illinois in 1904.

(Compiled from a Preliminary Statement by the Superintendent of Insurance.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Companies of Illinois.			
Continental, Chicago	$3,742,765	$49 236	$15,032
Forest City, Rockford	13,432,563	165,952	43 416
German, Freeport	56,267,327	614,937	253,128
German Fire, Peoria	10,923,947	154,594	75,230
Ins. Co. State Illinois	14,140,100	177,518	53,176
Metropolitan, Chicago	2,781,853	32,544	11,532
Traders, Chicago	16,673,022	215,935	124,454
Western Underwriters, Chicago	8,596,875	112,470	56,426
Totals	$126,558,452	$1,523,176	$632,395
Companies of Other States.			
Ætna, Hartford	$98, 99,015	$458,546	$174,813
Agricultural, Watertown	8,922,560	102,686	39,290
Allegheny, Allegheny	917.753	11,868	1,758
Allemannia, Pittsburgh	2,100,700	28,330	13,127
American, Newark	42,707,250	647,373	262,400
American, Boston	2,455,219	31,642	31,164
American Central, St. Louis	9,681,916	147,871	67,675
American Fire, Philadelphia	12,136,472	111,836	56,219
Anchor, Cincinnati	2,159,575	48,606	40,688
Armenia, Pittsburgh	1,117,861	17,263	1,852
Assurance Co. of America, New York	3,481,583	31,355	31,463
Atlanta-Birmingham, Birmingham	2,383,784	47 491	10,055
Ben Franklin, Allegheny	2,439,418	28,929	8,612
Boston, Boston	2,963,957	14,577	13,192
British-American, New York	1,779,714	27,430	14,083
Buffalo Commercial, Buffalo	3,827,49	49,989	18,633
Buffalo German, Buffalo	7,753,284	83,383	48.094
Camden Fire Ins. Ass'n, Camden	2,224,717	36,261	20,035
Citizens, St. Louis	8,821,756	126,183	62,742
Colonial Assurance, New York	2,643,540	46,561	27,938
Colonial, Washington	342,939	5,405	1,736
Commerce, Albany	2,385,612	27,166	9,275
Commercial Union, New York	1,346,590	17,981	9.910
Commonwealth, New York	4.099.833	37,527	8.406
Concordia, Milwaukee	9,098,342	110,945	45,432
Connecticut, Hartford	22,968,150	301,328	128,651
Continental, New York	34,822,253	428,337	186,510
Delaware, Philadelphia	7,973,150	90,604	55.674
Detroit Fire and Marine, Detroit	4,998,607	55,329	35,989
Dubuque Fire and Marine, Dubuque	3 796,400	38,550	17,704
Dutchess, Poughkeepsie	1,714,940	26,454	12,334
Eastern, Atlantic City	1,981.172	21,576	5,115
Equitable Fire and Marine, Providence	6,503,469	82,337	67,155
Eureka Fire and Marine, Cincinnati	1.336.747	18,678	8,729
Farmers and Merchants, Lincoln	6,659,800	89,632	26,223
Federal, Jersey City	3,963,420	38,145	16,785
Fire Association of Philadelphia	16 265,126	246,462	138,482
Firemen's, Newark	8,286,851	84,202	36,928

COMPANIES.	Risks Written.	Premiums Received.	Losses. Paid
Fireman's Fund, San Francisco	$14,041,189	$172,163	$74,021
Fire Ins. County of Philadelphia	2,604,100	29,542	11,696
Franklin, Philadelphia	2,356,070	30,652	16,265
Georgia Home, Columbus	2,131.897	31,065	11,975
German Alliance, New York	6,174.480	84,491	28,415
German-American, New York	18,875,194	240 670	119,133
German-American, Pittsburgh	925,291	15,709	8,496
German, Indianapolis	3,759.553	50,676	25,898
German, Pittsburgh	3,100,847	39,437	23,901
German, Wheeling	880,487	14,700	5,975
Germania, New York	20,348,104	282,882	118,745
Girard Fire and Marine, Philadelphia	7,201,507	85,368	40,210
Glens Falls, Glens Falls	16 654,228	178,154	85,622
Globe and Rutgers, New York	6,732.155	116.693	42,059
Hanover, New York	14,062,743	194.938	102,652
Hartford, Hartford	61,614,322	828,305	364,106
Home, New York	66,055.826	676,383	357,406
Home Fire and Marine, San Francisco	3,675,965	50,876	30,524
Humboldt, Allegheny	499,350	6,101	350
Indemnity, New York	1,345,694	20,011	11,820
Indianapolis, Indianapolis	2,089,918	29,241	7,349
Ins. Co. of North America, Phila	27,599,554	346,283	209,126
Ins. Co. of State of Pa., Philadelphia	1 790,307	30.552	10,953
Jefferson, Philadelphia	887,444	13,769	2,289
Liverpool and London and Globe, N. Y.	2,250,783	29,300	10,333
Louisville, Louisville	2,816,664	27,738	9,428
Lumbermens, Philadelphia	2,398,298	35,540	20,485
Mechanics, Philadelphia	2,950,165	42,891	18,356
Mechanics and Traders, New Orleans	2,620,268	30,990	15,745
Mercantile Fire and Marine, Boston	1,691,830	26,434	11,241
Michigan Fire and Marine, Detroit	3,089,092	45,510	24,116
Milwaukee Fire, Milwaukee	2,498.127	39,464	13,317
Milwaukee Mechanics, Milwaukee	14,802,601	199,294	72,669
Monongahela, Pittsburgh	929,413	12,479	7,643
Nassau, Brooklyn	2,610,144	28,635	11,345
National, Hartford	44,976,076	446.504	158,644
National, Allegheny	4,138,999	56,034	18,350
National Fire and Marine, Elizabeth	829,509	11,484	9,005
National Union, Pittsburgh	6,517,755	86.346	35,302
Newark, Newark	1,445,377	21,139	6,902
New Hampshire, Manchester	9,742,098	101,411	45,039
New York, New York	3,308.689	37,776	27.255
Niagara, New York	11,607,200	159,802	81,445
North British and Mercantile, N. Y.	1,290 040	12,011	4,211
Northern, New York	3,268,794	51 892	24,074
North German Fire, New York	6,047,190	100,141	49,199
North River, New York	4.869.964	57.793	23.286
Northwestern National, Milwaukee	21,784,017	216,281	77,337
Orient, Hartford	7,465,155	99.337	47,299
Pacific, New York	1,952,642	22,424	9,471
Pelican Assurance, New York	1,961,819	28,963	22,213
Pennsylvania, Philadelphia	9,357,157	126,936	63,183
Peter Cooper, New York	1,594.965	12,244	7,478
Phenix, Brooklyn	50,963,769	747.173	348,378
Phœnix, Hartford	17,604,239	198.292	102 514
Pittsburgh, Pittsburgh	1,100,412	16,584	8 962
Providence-Washington, Providence	9.569,664	104,891	55,440
Queen, New York	14,693.473	214,100	125,422
Reliance, Philadelphia	8,344,327	93.844	49,150
Rochester German, Rochester	7,790,066	118 587	57,121
St. Paul Fire and Marine, St. Paul	11,015,146	147 718	66,168
Security, New Haven	18,370 434	204.081	92 044
Security, Baltimore	4 560,250	50 855	9.179
Security, Cincinnati	1,424,396	19,853	14,056
Springfield Fire and Marine, Springfield	21 476.808	292,062	134,867
Spring Garden, Philadelphia	6,479,003	99.497	50,558
Star, Louisville	771.447	12,766	3,954
Stuyvesant, New York	1,998,492	23.881	15,862
Teutonia, Allegheny	453,220	6,145	352
Teutonia, New Orleans	2,742,050	33,121	17,534
Union, New York	122.310	1,964	.....
Union, Philadelphia	2.614,203	26,747	13,242
United Firemen, Philadelphia	3.806,271	53 648	20,318
United States, New York	2,249,680	23,732	13,164
Victoria, New York	1,185,106	21,698	16,160
Virginia Fire and Marine, Richmond	4,062,596	43,208	16,009
Virginia State, Richmond	1,051,126	17,659	6,974
Westchester, New York	10,766.764	138 606	59,511
Western, Pittsburgh	2,534,134	26.708	16 743
Williamsburgh City, New York	3,091,668	44,133	22,716
Totals	$973,935,658	$12,335,156	$5,726,981
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle	$6,103 178	$88,024	$47,446
Alliance Assurance, London	5,117,654	50.752	26.650
Atlas Assurance, London	9.224,706	102,564	36.514
British-America Assurance, Toronto	9,422,740	126,572	69 396
Caledonian, Edinburgh	5,767.553	81,858	34,989
Cologne, Cologne	2,330,303	32,756	9,991
Commercial Union, London	15,920,146	215,403	94,002
Hamburg-Bremen, Hamburg	9,359,034	138,872	76,788
Law Union and Crown, London	1,826,079	27,498	29,606
Liverpool and London and Globe	30,756 212	408,195	177,057
London Assurance Corporation	7,899,259	106,213	54,394
London and Lancashire, Liverpool	14,017,543	182,924	88,984
Moscow, Moscow	4,747 799	63,803	18,923
Munich, Munich	19,445,245	286,635	145,521
National, Dublin	1,805,974	31,446	18,297
Northern, London	15 266,149	230 747	117,775
North British and Mercantile, London	22,567,673	280,585	132,999
Norwich Union, Norwich	9,821,829	141,865	76,376
Palatine, London	8.341,075	110,117	45,457
Phœnix, London	$10,365,945	$148,199	$76,931
Prussian National, Stettin	12,609,376	107,864	65,122
Rossia, St. Petersburg	5,653,472	80.099	16,216
Royal, Liverpool	28,761,496	392,804	172,526
Royal Exchange, London	12,125,135	102.141	47.735
Salamandra, St. Petersburg	6,081,413	92,880	58,719
Scottish Union and Nat., Edinburgh	10,835,905	151,644	74,607
Skandia, Stockholm	4,761,897	75,889	48,611
State Fire, Liverpool	1,051,107	19,528	14.900
Sun, London	12,758,477	170,441	66,207
Svea, Gothenburg	3.726,556	59,979	35,356
Trans-Atlantic, Hamburg	4,083.958	60,604	28.338
Union, London	6,161,358	97.941	75,597
Western, Toronto	13,579,552	151,926	87,905
Totals	$332,346,305	$4,418,760	$2,139,961
Mutual Companies of Illinois.			
Addison Farmers Mutual, Addison	$709,843	$6,572	$4,457
Coal Operators Mutual, Springfield	2,142,998	26,076	9,772
Farmers and Threshers Mutual, Paris	768,560	14,061	5,008
Illinois Mut. Fire Underwriters, Chicago	625,425	5,204	566
Lumbermens Mutual, Chicago	707,921	7,631	1,500
Millers Mutual Fire Ass'n, Alton	4,099.067	139,473	77,546
Millers National, Chicago	2.273,727	77,982	42,589
Mill Owners Mutual, Chicago	1,576,362	15,314	517
National Mutual Church, Chicago	3,104,180	12,305	6,440
Protection Mutual, Chicago	2,413,740	22,334	871
Retail Merchants Ass'n, Springfield	7,030,879	55,390	26,491
Totals	$25,452,702	$382,343	$175,756
Mutual Companies of Other States.			
Central Manufact'rs Mut., Van Wert	$1,177,568	$17,154	$21,435
Cotton and Woolen Manufact'rs, Boston	3.532,840	32,292	255
Farmers Fire, York	2,696 763	39.478	26,434
Grain Dealers Nat. Mut., Indianapolis	361,700	14,491	16,088
Indiana Millers, Indianapolis	267,500	11,334	4,469
Industrial Mutual, Boston	2,650,863	24,839	203
Keystone Mutual, Philadelphia	1,825,704	17,962	887
Manton Mutual, Philadelphia	1,391,680	13,519	697
Mercantile Mutual, Providence	1,564,417	15,350	172
Michigan Millers Mutual, Lansing	1,853,282	34.176	42,682
Ohio Millers Mutual, Canton	220,250	12.972	6,700
Philadelphia Manufact'rs, Philadelphia	2,400 748	21,354	830
Rubber Manufacturers, Boston	4,177,946	38,671	255
Totals	$24,121,291	$293,591	$121,107
Grand Totals, 1904	$1,482,414,408	$18,951,920	$8,796,200
COMPARISON WITH BUSINESS OF PREVIOUS YEARS.			
1903	$1,293 428 999	$16,597.935	$7,980,304
1902	1,441,981,156	17,180,987	8,636,223
1901	1,290,705,379	14,849.045	8,010,447
1900	1,292,165.890	14,460,319	7,720,513
1899	1,168,017.966	13,056,119	8,518,255
1898	1,046,822,043	11,927,507	8,026,369
1897	1,059,711,518	12 439.908	6,051,630
1896	988,482,335	12,137,705	6,267,111
1895	973,295,739	12,046,275	6,063.583
1894	946.661,753	11,805.170	6,907,974
1893	1,000,857,380	11,916.597	6,572,080
1892	1,017,559.758	11,893,952	4,038,214
1891	899,660,472	10,337,551	5,041,033
1880 to 1890	7,626,877,678	84,631,985	36,614,305

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 49.3. The percentage in 1904 was 46.5

Fire Insurance Business in Alabama in 1904.

(Reported by the Companies to The Weekly Underwriter.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$7,499,201	$122,688	$43,519
Agricultural, Watertown	946,900	16,938	5,108
American Central, St. Louis	625 146	14.309	7,641
American, Boston	275,944	3.544	53
American Fire, Philadelphia	1,733,405	30 191	7,836
Atlanta-Birmingham, Birmingham	1,293.402	26 193	16,693
Atlas, London	470,601	9.888	2,551
British America, Toronto	553,935	11,308	4,760
Citizens, St. Louis	992,744	20,551	16,045
Commercial Union, London	2,156.294	39,677	19,560
Connecticut Fire, Hartford	560.300	9,806	10,891
Continental, New York	3,611 00	78,630	.....
Dutchess, Poughkeepsie	338,136	6.017	1,772
Factors and Traders, Mobile	2.085,266	29,961	1,569
Fire Association of Philadelphia	4 769,976	55,691	19,847
Fireman's Fund, San Francisco	3,757,892	55,680	21.510
Georgia Home, Atlanta	1.447.059	26,704	11,500
German, Freeport	1,137,213	16,864	10,890

Companies.	Risks Written.	Premiums Received.	Losses Paid.
German Alliance, New York	$304,263	$8,129	$1,003
German American, New York	4,209,593	58,117	24,799
Germania Fire, New York	910 865	17,464	7,178
Glens Falls, Glens Falls	1,763.932	19.368	7,252
Globe and Rutgers, New York	953,907	19,427	142
Hamburg-Bremen, Hamburg	642.828	14,006	10 620
Hanover Fire, New York	2,994,206	44,112	18,129
Hartford Fire, Hartford	8,867,097	148,621	60,325
Home, New York	9,897,320	138.750	99,676
Indianapolis Fire, Indianapolis	138,703	3,160	9
Indemnity Fire, New York	318,326	7,294	6,409
Insurance Co. of N. America, Phila	3.841.827	87.115	47,034
Liverpool and London and Globe, Liv.	10,987,244	186 685	109,402
Liv. and London and Globe, N. Y	1.062.898	19.326	11,178
London and Lancashire, Liverpool	4,522,340	100,231	45,270
London Assurance Corporation	768,870	15,504	6,955
Milwaukee Mechanics, Milwaukee	510.001	9.370	1,457
National Fire, Hartford	1,948,617	28,917	23,224
New Brunswick, New Jersey	19,500	326	.....
National Assurance, Conn	7.500	9	.....
New Hampshire Fire, Manchester	1,575,588	27,606	18 381
New York Fire, New York	156,863	2,152	1,143
Niagara Fire, New York	1,070,762	22,828	21,292
North British and Mercantile, London.	2,277,253	24 887	20.728
Northern, London	2,153,565	27,188	10,185
Norwich Union, Norwich	1,540.154	31,597	12,198
Orient, Hartford	1,658.196	24,137	16,953
Palatine, London	1,461,838	32,158	19,049
Pelican, New York	184 544	3,619	2,264
Pennsylvania Fire, Philadelphia	2,254,000	47,260	21,704
Phenix, Brooklyn	3,105,689	71,903	34,438
Phœnix, Hartford	2,413,294	38,138	18,392
Phœnix, London	1,899,048	49,174	37,764
Providence-Washington, Providence	3,157.005	27,704	10,002
Queen, New York	2,700,331	55,681	28,159
Rochester German, Rochester	993,513	17,820	4,829
Royal, Liverpool	5,083,466	49,103	10,827
Royal Exchange, London	1,512,886	16,869	15.585
St. Paul Fire and Marine, St. Paul	1,914 653	33,331	20,194
Scottish Union and Nat., Edinburgh	1,146 029	19,482	8,337
Springfield F. and M., Springfield	2,121,429	19,078	14,428
Stonewall, Mobile	2,791,707	52,022	3,461
Sun, London	1,320,011	29,716	11,981
Sun, New Orleans	1,949,122	43,031	22,946
Teutonia, New Orleans	1,050,032	20,819	8,214
Toledo Fire and Marine, Ohio	80.700	1,936	.....
Traders, Chicago	621,753	12,574	9,850
Virginia State, Richmond	2,464,857	57.141	35,003
Western, Toronto	3,656 513	27,062	11,781
Westchester Fire, New York	1,125,526	22,744	12.586
Totals	$144,395,079	$2,407,329	$1,144,481
Comparison with Business of Previous Years.			
1903	$126,308,490	$2,115,355	$1,024.293
1902	109,646.973	1,959,396	1,251,839
1901	109,436,182	1,696.489	946,082
1900	102,834,121	1,545,706	880,240
1899	85,116,131	1,361,397	788,429
1898	71,241,873	1,156,572	447,068
1897	71,802,470	1,168,564	744,047
1896	71,854,034	1,107,603	382,906
1895	66,108,317	1,099,131	466,699
1894	66,828,364	1,067,445	818,879
1893	71,802,952	1,143,999	463,642
1892	82,802,382	1,220,101	702,581
1891	84,198,048	1,262,995	721,498
1880 to 1890	581,272,266	8,275,507	4,293,048

The percentage of losses paid to premiums rece ved in the twenty-five years embraced in the above table is 56.1. The percentage in 1904 was 47.5.

(*Continued from page 406.*)

always had a reasonable philosophy to think that men and times were better than harsh criticism would suppose. I believed that this American world of ours was full of wealth, and that it was only necessary to go to work and find it. That is the secret of my success in life. Always look on the sunny side."

A very distinguished surgeon once said that in all his professional life the one moment that he would wish most of all to blot out was that when in the midst of a critical operation he found he had failed to bring with him an instrument without which the operation must fail and the patient die. There are times in the soliciting of insurance when the solicitor must have the one argument to fit the situation; when the lack of it or even the momentary search for what should be within instant reach will prove fatal. It behooves every agent then, to forestall as many such situations as possible. That there are facts in the rate book that will some day be needed, and that are still unknown even to many of the managers, is beyond question. Some of the best men in the company's service have made post haste journeys of hundreds of miles to headquarters to get information for an emergency, only to have the answer read to them out of the rate book they brought in their pocket. Time and money were wasted; and too often the opportunity was let slip. "Search the Scriptures"; and the rate book is the agent's scripture.

The Best Life Insurance "Prospects."

(*The Indianapolis News.*)

What class of men are best "prospects" for the life insurance agent? The question is one on which few successful agents have spent much time, for they recognize neither class nor occupation, as long as the "prospect" is not barred by the fact that his occupation is too hazardous and he is able to carry insurance.

The question was asked of four local insurance men, who are among the best solicitors in the city, and each gave a different answer. One said that at first thought he would say the successful merchant was the best prospect. "The merchant," he said, "is first a business man, accustomed to talking business, and he is easily approached with a business proposition. Figures talk with him, and if the arguments presented are not convincing he is able to give his reasons and not turn an agent down 'on general principles.' In this way an agent has an opportunity to form a new line of attack and meet most of the objections."

Another agent regarded Government employees and officials, as a class, the best prospects. "The Government employee in a minor position receives a fair salary, but one on which he is not able to save any considerable part systematically. He has a routine position that does not particularly qualify him for other work, and the necessity of saving by means of an endowment policy and protecting his family, should he become incapacitated, is easily impressed upon him."

Still another agent thought the class that would be covered by the term "office men" was his best prospect. He gave similar reasons to those given by the agent who regarded Government employees as his best prospects.

A fourth agent said that teachers and students were unquestionably the best propects for the life insurance agent. It developed that this agent had made a specialty of soliciting for insurance among teachers and students and had been successful from the start. "The first life insurance policy I ever wrote was during my first year in college," he said. "I found that the plan of borrowing money to get through college and giving a life insurance policy as security was one destined to become extremely popular, especially in the Western colleges, where a large proportion of the men are working their way through. For the first year I found that my insurance interfered with studies. The second year my studies interfered with my insurance work so I gave up my studies."

Possibly it was because none of the agents quoted had done much work outside of Indianapolis recently that none of them classed farmers as a good prospect for the life insurance agent. A recent report of the National Life of Vermont shows that of 11,410 policyholders, 2,266 were farmers. The next largest number were merchants, of which there were 1,219. The class including accountants, bookkeepers, stenographers and clerks was 1,089. "Clergymen, lawyers, physicians and dentists" came next with a total of 779; manufacturers numbered 657 and of teachers and students there were 544.

The Indispensable Fire Pump.

The question frequently asked, "Of what value is a fire pump in a mill which is under the protection of an excellent city fire department?" is answered, according to the March report of the Boston Manufacturers' Mutual Fire, in the following description of a fire which occurred on March 12 in the machine shop of the Nathan Manufacturing Company, New York:

Adjoining the easterly side of this property and separated from the same by an alleyway was a large coffin factory. At about 10:30 p. m. the watchman in lumber yard in rear of coffin factory discovered a fire in the shipping room in first story. The fire spread immediately throughout the building and completely destroyed the same. Upon discovering the fire the watchman immediately notified the engineer of the Nathan Manufacturing Company, who lives on the premises, and also rang in the public alarm. The engineer immediately started the fire pump and, assisted by the watchman, stableman and members of his family, brought one stream into play before the arrival of the department. A little later another stream was taken from the roof hydrant on Building No. 4, and the pump supplied these two streams for about three hours and a half, or as long as they were needed. These streams were of the greatest service in keeping the roofs cool and also preventing the fire from entering the windows on the sides of the buildings. The ends of the

buildings next to the passageway were protected by a solid fire wall.

The only damage suffered by the Nathan Manufacturing Company, outside of some glass cracked by heat, slight roof leakage, etc., was due to a fire discovered by the watchman at about 6:45 a. m. the next morning under floor of dust chamber in top story of main building. This small chamber communicated with a dust collector on the roof of the building, and this fire was evidently caused by an ember from the coffin factory getting into the collector and falling to the floor, where it generated sufficient heat to ignite the flooring underneath the tin, the room itself being tin lined. The fire was extinguished with a few pails of water, the heat not being sufficient to open a sprinkler located in the chamber. Loss, $100.

The Columbian National Life Insurance Company
BOSTON, MASS.
INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.
PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

1851 Phoenix Mutual Life Insurance Company 1904
OF HARTFORD, CONN.,
Issues every Desirable Form of Policy known to modern Life Insurance.
The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.
Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office
JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

SAFETY FUND INSURANCE.
NIAGARA
Fire Insurance Company
OFFICE: 135 & 137 BROADWAY. OF NEW YORK.

PHENIX INSURANCE COMPANY
OF BROOKLYN, N. Y.
NEW YORK OFFICE:
68 WILLIAM STREET.

The Jefferson Fire and Marine Ins. Corporation
OF RICHMOND, VA.
Surplus Lines. Capital, $100,000.
DAVID C. TAYLOR, General Agent, 58 William Street, N. Y
Telephone: 3894 John.
FORTY-FOURTH YEAR.

London Assurance Corporation,
CHARTERED A. D. 1720.
SURPLUS IN U. S. JAN. 1, 1905, $831,256.62
CHAS. LYMAN CASE, Manager.
61 PINE STREET, - - - - - NEW YORK

For a DEFINITE PROMISE to PAY, well defined, no experiment and taking no chances that technical legal definitions of what constitutes an accident will be used to defeat claims, BUY YOUR INSURANCE in and SELL the policies of
"THE CENTRAL," of Pittsburg, Pa.
Its management will tell you in YES or NO answers what it covers and what it does not cover. AGENTS WANTED.
For particulars address **The Central Accident Insurance Co., Pittsburg Pa.**

The Massachusetts Mutual Life Insurance Company.
INCORPORATED 1851
SPRINGFIELD, MASS
ASSETS—January 1, 1905..... $37,071,297.57
LIABILITIES..... 33,770,674.54
SURPLUS..... 3,300,623.03
Definite Paid-up and Cash Surrender Values written in every Policy.
JOHN A. HALL, Pres. HENRY M. PHILLIPS, Vice-Pres.
W. W. MCCLENCH, 2d Vice-Pres. W. H. SARGEANT, Sec.
New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager of Agents for Southern New York

National Life Insurance Co.
OF VERMONT.
Established in 1850. Operating in 42 States.
JOSEPH A. DE BOER, President. H. M. CUTLER, Treasurer.
JAMES T. PHELPS, Vice President. A. B. BISBEE, Medical Director.
JAMES B. ESTEE, 2d Vice President. C. E. MOULTON, Actuary.
OSMAN D. CLARK, Secretary. F. A. HOWLAND, Counsel.
This Company held January 1, 1905, and gained during the past decade:
ASSETS..... $31,398,453.67 Gain, 184 Per Cent.
SURPLUS..... 3,458,075.90 Gain, 142 Per Cent.
INSURANCE..... 134,761,554.00 Gain, 107 Per Cent.
Sells the Best and Most Modern in Life, Term, Endowment and Annuity Insurance.
J. F. MAKLEY, General Manager, 149 Broadway, New York City.
A. H. GSELLER, Manager, 201-203 Lawyers Building, Newark, N. J.

Established 1782.
Phœnix Assurance Company, Ltd.,
OF LONDON.
FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.
Head Office for the United States, 47 Cedar St., N. Y.
A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, JR., Sec.

Caledonian Ins. Co.,
FOUNDED 1805. of Scotland.
"The Oldest Scottish Insurance Office."
United States Head Office 50 and 52 Pine Street.
New York City.
STATEMENT JANUARY 1, 1904.
Assets $1,734,353.51
Liabilities 992,722.08
Net Surplus in the United States $741,631.43
CHARLES H. POST, U. S. Mgr. N. A. MCNEIL, Ass't U. S. Mgr.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. **Health Policies.**

Large Benefits, Low Rates, Best Commissions.

January 1, 1904.

Assets, - - - - -	$1,152,330
Surplus, - - - - -	439,609

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

[FIRE]

German American Insurance Company New York

CAPITAL

$1,500,000

NET SURPLUS

5,841,907

ASSETS

12,980,705

THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock paid in cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

WHAT is the use of saying
"The best company,"
or "The strongest company,"
or "The largest company?"
They all say these things.

WE SIMPLY SAY . . .

The Penn Mutual Life Insurance Company

OF PHILADELPHIA.

Organized 1847.

THAT TELLS THE WHOLE STORY.

THERE IS

Always a Good Opportunity for a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents

32 NASSAU STREET, NEW YORK CITY

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**
DANIEL H. WELLS, Actuary.

1825. THE 1905.
Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,
232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President — EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. — BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. — T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

COMMERCIAL UNION ASSURANCE CO.
LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York

Head Office for the United States:
57 and 59 William Street,
NEW YORK.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

A. G. McIlwaine, Jr., Manager.

The Union Insurance Company
OF PHILADELPHIA.
CAPITAL, - - - $200,000

STATEMENT, APRIL 1, 1904.

Bonds, Bank and other Stocks, Market Value	$290,326.50
Demand Loans with Collateral Security	34,500.00
Real Estate, unincumbered, owned by the Company	106,500.00
Premiums in course of collection, Interest due Company and Cash in Banks and Office	222,561.32
Total Assets	$653,887.82

LIABILITIES.

Reserve for Reinsurance and other Liabilities	$280,736.85
Reserve for Losses under Adjustment and not yet due	94,533.01
Surplus to Policyholders	278,617.96
	$653,887.82

Losses paid since organization, $18,616,821.42.

CHAS. S. HOLLINSHEAD, President.
E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, APRIL 29, 1905. No. 17.

Published every Saturday by the Underwriter Printing and Publishing Company.
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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.
Entered at the New York, N. Y., Post Office as second class matter.

THE Postmaster General has issued an order that will materially facilitate the proceedings against wildcat insurance companies in the use of the mails, as well as against other forms of fraud which exist by advertising and resultant mail orders. It has been the rule of the Post Office Department to take no action against fraudulent concerns until victims complain and furnish facts and data upon which exclusion proceedings may be based. The new regulation requires post office inspectors to take the initiative wherever they know of existing fraud or suspect it from newspaper advertisements. "Hereafter the advertising columns of certain newspapers," says the announcement, "will be carefully examined by the postal officials for evidence that deception is intended, and the mails will be shut off to the suspected persons until they can satisfactorily prove that they are all right." The eyes of the inspectors should be steadfastly directed toward Virginia, West Virginia, Delaware and the twin Oklahoma and Indian Territories. Most of the fire insurance wildcatting which appears under the guise of legally chartered corporations originates in those localities, and it will not be at all difficult for the department detectives to spot it. The life of the insurance impostor is in the mails, and deprivation kills him. The Jesse Rogerses will take to other forms of deception as a business when the letters of their intended victims are withheld.

THE McKinley anti-trust and anti-insurance compact bill in the Illinois Legislature, which slipped through the lower House almost unanimously, hangs fire in the Senate corporations committee, and Chicago advices as to its final defeat are equally hopeful and despondent. The argument made by someone against the passage of the bill, as now constructed, "that it would drive fire insurance companies from the State," is opposed by the Attorney General's statement that "the people of Arkansas are having no trouble in securing all the insurance they want, notwithstanding the efforts of some of the insurance companies to prevent them." This is what our companies get for generously filling up the Arkansans with insurance for another year, before suspending business in their State. The Illinois Attorney General is disingenuous, however, in suppressing that fact and also that the validity of the Arkansas law is yet undetermined by the courts. The companies will not withdraw from Illinois if the McKinley bill becomes a law, for it does not contain the extraterritorial feature, which would *ipso facto* exclude them. But the law would cause more disturbance to business in Illinois than a similar law would in any other State—except New York—because it would dislodge and deport the Western Union, with its extensive rating machinery, as well as destroy that of the various State and local boards of Illinois. Of course, so long as no law can prevent the contact of two human minds agreements as to rates will continue, and they can be made in the city of New York as well as in Chicago.

AN anxious inquirer writes to our contemporary, the *Spectator*, wanting to know why, if the firm of J. P. Morgan & Co., of which Mr. George W. Perkins is a partner, sells bonds at a profit to the New York Life insurance company, of which Mr. Perkins is a vice president, his position as an alleged "transgressor of the law" is different from that of Mr. Hyde, of the syndicate of "James H. Hyde and Associates," which sold bonds at a profit to the Equitable Life Assurance Society. Laying aside the question of Mr. Hyde's original culpability, if any, which the courts will probably determine, the following statement by President McCall is a sufficient answer:

When Mr. Perkins became a member of the firm of J. P. Morgan & Co. he entered into an agreement with the New York Life that any profit that might accrue to him through his firm's dealings with the company should be paid by him to the company. In accordance with this agreement, Mr. Perkins has sent us his check on every occasion a profit was made on sales of bonds to the company. It will thus be seen that he has not violated the law referred to, but, on the contrary, has contributed to our surplus. Furthermore, the deposits previously kept with J. P. Morgan & Co. were transferred immediately to other banking institutions. The New York Life does not own any stocks whatever, but when it sees a good opportunity to buy bonds it becomes a bidder for them like anyone else. But these bids and purchases are made in the name of the New York Life, and not in the name of any officer or individual, and the fact of our bidding is printed in the newspapers. The company realizes whatever profit is to be made from such purchases and we have added consilerably to our surplus in this way.

It is well to keep these differences in mind during the present illumination of the business methods of life insurance companies, with the view of promoting that composure so essential to a clear comprehension of a situation during periods of excitement.

WHILE the administrative department of the Equitable Life Assurance Society, including its general agents, has been quiet this week, in obedience, doubtless, to the mandate of the board of trustees, the outside clamor has not ceased. Our news summary of events chronicles the beginning of receivership suits on behalf of policyholders in different localities and rumors of many more forthcoming, the formation of policyholders' protective associations, further legislative proceedings and much concern among State insurance department officials, some of whom desire to come to New York and join in a grand combination examination of the affairs of the society—independent

of the two elaborate investigations now in progress and the one proposed by Mr. Palmer in the New York Legislature. In view of much of this industrious interest in the Equitable Life by attorneys and public officials all over the country one is inclined to echo the plaint of Mr. John D. Crimmins since he has assumed the tentative attitude that "Lawyers everywhere know that other lawyers are getting big fees out of this trouble, and think that they can worm their way in also, so as to get fees, or, at any rate, advertising." It seems to him that "some of these suits are merely looting enterprises"—which opinion does credit to Mr. Crimmins' sagacity. Meanwhile, lookers on, who are not seeking loot or excitement, are contented to wait upon the action of the courts and the results of the present investigations, upon which, in the end, the final disposition of the Equitable case depends.

Facts and Opinions.

The board of directors of the Mutual Benefit Life has adopted a commemorative entry in the minutes of its last meeting regarding the death of **Bloomfield J. Miller,** late vice president. In the course of a sketch of his services the memorial says:

He took an active part in the formation of the Actuarial Society of America. He was its president during the constitutional limited term, and has ever been a member of recognized distinction. In the formation of the recent plan for uniting the life insurance companies of this country, in the work of examining and exhibiting the combined results of each in the existing extensive and detailed form, he had an active part. In this department of life insurance—obviously of primary and fundamental importance—he was ever notably interested and thoroughly informed. As a mathematician his interest and studies were not so much in the purely theoretical or abstract parts of the science as in its more limited application to the calculations of chances involved in life risks. Of these he was an ideal expert. In the acceptance or rejection of risks which for many years past it was part of his employment to deal with, the practical judgment and good sense that distinguished him were apparent, inclining him rather to a favorable decision, than otherwise, as more consonant with the beneficent aims of the business. His two published dissertations, one before the Actuarial Society on the functions and features of the actuarial office, and a second before the students of Yale University, evince his characteristics as a thinker and a writer, and are a valuable contribution to the literature of life insurance. As a member of the board of directors of this company, his thorough acquaintance with all the departments of the company's business was conspicuous. His unfailing courtesy, respect for the judgments of his associates, his lucid expositions of the monthly courses of the business, and his intelligent participation in the varied discussions of the board were strikingly observable. It is not the language of eulogy, but of guarded and sober truth, to say of Mr. Miller that his natural endowments were of an order exceptionally high. Of a vigorous and logical mind, his clear, quick mental perceptions were ever directed to the discovery of what was right and true. Of a moral sense ever against the wrong, unfairness, injustice and falsehood were abhorrent to his feelings. He was in all his intercourse with his fellows genial, generous and charitable, admired and loved by all. His life and work in connection with this company, to which his youth and manhood were devoted, will ever be held in affectionate and grateful remembrance.

Music, light, flowers, good cheer and the convocation of notable guests combined to make the **spring dinner of the Boston Life Underwriters' Association,** which took place at Young's Hotel Monday evening, interesting and enjoyable. President Louis L. Hopkins again demonstrated that he is an admirable presiding officer, and impressed upon his hearers the surpassing merits of the institution of life insurance, which has returned to policyholders in this country and holds for their future protection hundreds of millions of dollars more than it ever received from them. Curtis Guild, Jr., the Lieutenant Governor of the Commonwealth, gave powerful illustrations of what evils the neglect of civic duties leads to, and accorded well merited praise to the Massachusetts Insurance Department and its head, which incorruptible honesty takes out of the pale of "political influence." President De Boer, of the National Life of Vermont, touched upon a number of vital points affecting the business with outspoken frankness; he believed it ought to be subjected to a reasonable tax and objected to its centralization at the hands of the Federal Government. Vice President James T. Phelps, of the National, conveyed a message and two bottles of Madeira from President Stevens, of the New England Mutual Life, to the association. The flasks were of the vintage of 1824 and 1827 respectively, the birth dates of Mr. and Mrs. Stevens, and were emptied in honor of the giver. Mr. Daniel F. Appel, who had been receiving congratulations on his recent promotion to the secretaryship of the New England Mutual Life, spoke with enthusiasm of the moral tonic inherent in association gatherings, which aids men in holding fast to their ideals and doing faithfully the work each day brings. The proceedings were brought to a close with appropriate remarks by Mr. S. F. Wordman, of the Travelers insurance company.

The April meeting of the **Life Underwriters' Association of Western Massachusetts** was held at Cooley's Hotel, Springfield, last week, fifty-two members being present. Mr. Wilbur F. Gordy and Representative Luke S. Stowe made the addresses. It was voted that each member of the association be presented with a framed certificate of membership and with the seal of the association attached thereon, signed by the president and secretary, to read as follows:

This is to certify that Mr. ..... is a member of the Life Underwriters' Association of Western Massachusetts in good and regular standing.

The certificate is to be the property of the association and will be subject to recall for non-payment of dues or disqualification. A motion was also passed to publish each month the following in two local papers:

NOTICE.

The Life Underwriters' Association of Western Massachusetts is an organization of life insurance agents which stands for honest practice, truthful representation and a square deal between its members and the insuring public, in extending the munificent system of sound life insurance. Following is a list of members in good standing. A revised list will be published monthly.

It was decided to print on the back of each member's business card the seal of the association with this inscription: "Members of the Life Underwriters' Association who are in good standing are authorized to use this imprint of its seal. A revised list of members will be published monthly." The proposition that each member should have a button with the seal of the association and his name upon it was discussed, but was left to the executive committee.

The connection of the Connecticut Fire with the Western Union terminated this week, taking effect April 25. This is the result of the long pending difference over reinsurance in Nebraska, Manager McDonald, of the Western department of Connecticut declining to rescind a contract held by him for the reinsurance of the Columbia Fire insurance company of Omaha. He claimed that his contract was made before the Union resumed jurisdiction in Nebraska. Many efforts have been made to get him to comply, but, all having failed, ten days' notice was issued that unless he rescinded the contract or resigned by April 24 he would be dropped from the Union. The Connecticut is given until June 1 to reorganize its agency plant, and graded commissions will be paid to agencies in which it is located until that date. The work of separation will be pushed actively, however, some companies having ousted the Connecticut from their

offices the day the severance was announced. It had been regarded in Union quarters as settled that no company could afford to retire from the organization, now that separation is in force, and the Union companies now realize that unless the lesson is made a drastic one for the Connecticut they may have other retirements later on. The Connecticut is well planted in Union agencies, about 80 per cent. being of that class. President Browne arrived in Chicago the day the change was announced and all the Western field men were in for a conference. The Connecticut relies upon its farm business to help it hold many agencies and it is understood that it will write even more liberally, in order to hold others in line.

A meeting of the **St. Louis Local Fire Insurance Agents' Association** was held Friday afternoon of last week in the Century Building to consider the St. Louis situation in respect to complaints of the Chicago managers of the big fire insurance companies on the prevalence of rebating and irregular practices in that city. The attendance was unusually large, about forty-five members being on hand. A special committee, of which F. H. Hirschberg, D. J. Matteson and N. R. Wall were members, submitted the draft of a letter dealing with the situation to be sent to the companies in the name of the association. The letter takes up St. Louis conditions with the admission that there is a large number of agents outside of the association who sell or broker insurance as a side line to other avocations. Real estate agents, collectors, clerks and barbers are mentioned as being conspicuous on the list. These "side liners" are held as being almost wholly responsible for the complaints by not conforming to the good practices upheld by the association. It is deemed advisable as one measure of checking the irregularities to get these outside agents, of whom there are over 100, into the association and the co-operation of the managers to this end is enlisted.

Everybody's genial friend, **Garrett Brown,** late of St. Louis, Denver and New Orleans, but now a naturalized citizen of New York, will produce on May 10 *Protection*, a monthly financial magazine which will treat especially of insurance, banking and trust companies. Editorially *Protection*, we are assured, will be "as strong as Garrett Brown can make a paper." The following is a summary of the special features of the forthcoming magazine:

A résumé of insurance opinion as gathered from the insurance press: Hazards and Fire Protection—Treating of practical ways and means of eliminating hazards and protecting risks against fire; The Lay Press on Insurance and Finance—Criticisms of outside views on insurance and finance; Protection to Life and Limb—Treating of casualty and accident insurance—best methods of protection, etc.; Miscellaneous Insurance—Surety, guarantee, burglary and classes other than fire, casualty and accident; Fraternalism—A fair and honest exposition of fraternal orders and ashociations, embracing features of investment and insurance; Investment Securities—Treating of securities offered to investors by States, municipalities and corporations; "Brown Studies in Black and White"—Kind of "Free Lance" in all fields of literature.

Surely this should be a satisfying meal to the monthly hungerer for insurance facts and opinions. There may be "too many insurance papers," but there are not too many of the kind Garrett Brown will give us. Office, 25 Pine street.

A special dispatch to the *Journal of Commerce* gives the gist of a decision rendered this week on **fire insurance as affected by chattel mortgages** by the United States Circuit Court of Appeals at St. Paul, Minn. It says:

This decision holds that even though the agent of a company indorses a policy over to the owners of a chattel mortgage on the property insured this does not bar the company from setting up the defense that the policy is voided by its terms if the property is encumbered by a chattel mortgage. The decision was in the case of the Atlas Reduction Company against the New Zealand Fire, appealed from the United States District Court in Colorado. The reduction company placed a chattel mortgage on a chlorination plant, the agent of the insurance company making the following indorsement: "Subject to all conditions of this policy, loss, if any, payable to G. B. Dodge and A. M. Stevenson, as their interests may appear." The decision turned upon the qualifying clause, "subject to all conditions of this policy." The court held that the loss payable to the mortgagees must be one which, under the conditions of the policy, would be payable to the insured, and that whatever under these conditions would defeat the insurers' right to payment in the absence of the indorsement would equally defeat it in the presence of the indorsement. Judges Van Devanter and Sanborn concurred in this opinion, but Judge Hook dissented, holding that the insurance company's indorsement of the policy over to the mortgagees constituted the waiver of the provision prohibiting the placing of a mortgage on the property covered by the policy. This would make the action of the agent the action of the company, even though it was prohibited by the policy.

The constitutionality of the **anti-rebate law in Tennessee,** in the case of the State against F. C. Pryor, has been upheld by a recent decision of the Supreme Court as follows:

It is said that it is not all rebates or offers to rebate that are prohibited, but only such rebates as are not specified in the policy contract of insurance. We think this is not good. It is not necessary to negative the idea that a rebate is not specified by the terms of the policy. If the policy contained any specification that covered rebates, that would be matter of defense, but need not be negatived in the indictment. In addition any provision in the policy allowing a rebate, would be contrary to the purpose and object of the act, and would be illegal. In addition, the clause providing that no rebate should be allowed or offered to be allowed is an independent one; and the terms "dividends," "benefits," "valuable considerations," and "inducements" do not embrace rebates or offers to rebate, since it is that the act is specially intended to avoid and prevent. It is said that the offense is not consummated until the policy has been actually issued. By the very terms of the act, the offer to rebate is made an offense, as well as the consummated act; and they are separate and distinct offenses. We are of opinion that the indictment charges the commission of an offense under the act, and that it was an error to quash it; and the judgment of the court below is reversed and the cause is remanded to the court below for trial.

The case is being prosecuted by the Life Insurance Agents' Association of Nashville.

Breach of contract is the charge made in a **suit** for $10,000 damages filed by Joseph C. Lloyd, Jr., an insurance agent of New Orleans, in the Civil Court, **against Robert Dickson and Robert D. Tweeddale,** underwriters of New York. The suit grows out of the recent transfer of the majority of stock in the Southern insurance company of New Orleans. Lloyd claims that he arranged with the defendants to secure the stock of the Southern insurance company with the understanding that he was to become secretary of the company and manager of the Southern department. He alleges that on the eve of the consummation of the project, after options on a majority of the stock had been secured, and the necessary loans arranged through the plaintiff's bank, the Bank of Orleans, defendants surreptitiously and without plaintiff's knowledge entered into negotiations with Albert Godchaux, of the insurance firm of Godchaux, Mioton & Shelby, competitors of the complainant, whereby they induced him to take some of the stock of the company and agreed to make his firm the manager of the Southern department, thereby violating their agreement with him.

In an **address on insurance law** recently, before the Insurance Institute of Toronto, Mr. R. C. Smith, a barrister of that city, after referring to the suicide clause in life insurance policies, said that it was practically impossible to obtain a verdict from the jury that the insured died as a result of suicide. The verdict, no matter how strong was the evidence, would always be one of accidental death. This was partly due to prejudice in favor of relatives, to the natural reluctance that people felt to attaching the stigma and disgrace of suicide upon the deceased and the surviving members of the family; but it was

also due, in part, to the fact that the court would always charge the jury, and very properly so, that the presumption was against suicide. In fact, the jury would be told that if there were any other cause to account for the death, they were to accept it rather than the theory of self destruction. Notwithstanding all that law and contract could do in providing conditions, insurance companies would have to calculate upon suicide as a risk they must carry, as their chances of escaping condemnation were scarcely worth considering.

The **California insurance company** of San Francisco, the oldest local insurance company on the Pacific Coast, which was organized in 1861 and which retired from active business in 1891 after paying $1,500,000 in dividends to its stockholders and returning the full amount of its capital, $600,000, and a bonus of $57,000 to its stockholders, was **reorganized** on Wednesday of last week at the offices of M. A. Newell & Co., in that city, on a basis of 6,000 shares at $65 per share, paid up. The following were selected by the new stockholders to serve as a board of directors for one year: Henry E. Bothin, A. D. Cutler, E. A. Denicke, M. L. Gerstle, D. Ghirardelli, John T. Harmes, Charles Holbrook, M. H. Hecht, E. W. McCarthy, M. A. Newell, George L. Payne. At a meeting of the board of directors, held immediately after the stockholders' meeting, the following officers were elected: M. A. Newell, president; A. D. Cutler, vice president; E. W. McCarthy, treasurer; George W. Brooks, secretary. The California will begin to write a general fire and marine insurance business at an early date.

A committee of the fire underwriters of **Detroit,** Mich., has completed an **inspection of the fire risks** of that city in the business section. Many defects were found, pointed out, and, in some cases, corrected. Mr. George A. Armstrong, chairman of the committee, in his report says:

The danger of a conflagration in Detroit increases each year. The growth of the city has brought about an increase of value of property in the business centre and, as a result, that section of the city is becoming more and more compact; buildings are put up to a greater height and the occupancies are rapidly increasing. Building laws should be strictly enforced and all buildings built, or rebuilt, of over four stories in height should be constructed entirely of fire resisting material. I am convinced that our city council will act in all matters where the need of better protection is shown, and the committee has found that the fire commission, the fire department, the board of commerce and the fire marshal are all interested in the safety of the city. The committee expects that the dangers will be removed and that premises hereafter will be kept free from the unnecessary hazards where they were found to exist. As to the proposed charge, by the insurance companies, for a conflagration hazard, I am not advised, but it would seem that in badly congested districts, particularly where occupied by careless tenants, a higher schedule should be used than in other and better sections.

The **Equitable Mutual Fire** insurance company and the **Mercantile Fire** insurance company, both of St. Paul, have been **ordered to cease writing** business by Insurance Commissioner T. D. O'Brien, of Minnesota. Recent examinations by D. C. Lightbourn, actuary of the State department, revealed that the Equitable had ledger assets of $9,877.11, with liabilities of $10,876.22; the Mercantile ledger assets of $14,083 and liabilities of $13,995.34. The commissioner has applied for receivers for both companies. The policyholders may reinsure in their choice of three other mutuals, the Security Mutual Fire, Retail Merchants Mutual Fire, both of St. Paul, or the Merchants State Mutual of Fargo. For such reinsurance these companies agree to pay 35 per cent. of the premiums into the treasuries of the two embarrassed companies.

The National Board of Fire Underwriters has been moved to action by the disastrous **fires in the property of the Boston and Maine** Railroad on the water front of the Charlestown district of Boston, and posters reading as follows have been liberally posted over the buildings and fences composing that property:

$1,000 REWARD.

The National Board of Fire Underwriters offers the above reward for the detection, conviction and punishment of the party, or parties, who may on trial be found by the court guilty of the crime of incendiarism or arson in firing the premises situated at Charlestown, Mass., as follows: No. 1, pier 5, Hoosac Tunnel docks, fire November 17, 1904; No. 2, piers 3 and 4, Hoosac Tunnel docks, February 21, 1905, belonging to the Boston and Maine Railroad Company. This offer expires by limitation in one year from date. All liabilities under it shall then cease unless otherwise ordered by the executive committee.

But the $5,000 fire in Clinton Market Tuesday evening, originating from oily waste, the favorite starting material of the Hoosac dock fires, indicates that the incendiary is still at work.

At the April meeting of the executive committee of the National Board of Fire Underwriters, held on Thursday, the following minute to the memory of the late **Thomas H. Montgomery** was adopted:

The executive committee of the National Board of Fire Underwriters has received with deep regret the announcement of the death of Thomas H. Montgomery, president of the American Fire insurance company of Philadelphia, which occurred in that city on April 4, 1905. Mr. Montgomery was the general agent of this board for six years—1872-1878, during one of the most active periods of its existence, when rates of fire insurance premiums for the whole country were adjusted from the central office in New York city through reports from a corps of special and supervising agents and local boards, and discharged the duties of that office with faithfulness and ability. In 1892 he was elected vice president of the board, and declined to consider a nomination for the presidency owing to other duties and demands upon his time. He was continuously a member of the committee on laws for eleven years—1894-1905. In view of his long connection with the board and his services to American underwriting, this minute to his memory is adopted, and with it will go an expression of our appreciation of his merits as a man and a beloved associate.

During the recent session of the Legislative Assembly of British Columbia a bill was passed entitled an **act to amend the Companies Act,** 1897. Under this bill all classes of insurance companies doing business in the province are required to take out a license before July next. It includes fire, life and accident insurance companies and assessment associations, of which, it is said, there are about 150 operating in British Columbia. The license fee is fixed at $250, so that the revenue derivable by the province from this source is expected to amount to about $40,000. Any insurance company failing to register on or before July 1, as required by the act, is subject to a penalty of $250 for each and every day during which it subsequently carries on business. This penalty attaches not only to the company but to promoters, organizers, office bearers, managers, directors, collectors, agents, brokers, employees, or any persons whatsoever who undertakes any contract of insurance on behalf of a company which has not registered according to the act.

The postponement for several weeks of the proposed changes in the **packing house schedules in Chicago,** resulting in a material reduction of rates, is believed to involve their ultimate defeat. The companies are very strongly opposed to any reduction, in view of the heavy loss ratio at the yards this year and the rapid increase in hazards there. A committee worked for several months endeavoring to reconcile the Union and the Chicago schedules on packing houses. It reported that it was impossible to modify the Union schedule in any particular, and to adapt it for special use in Chicago would produce results which would be unfair to the small warehouses and to those that had laid out large amounts in making improvements, as their rates would be increased nevertheless. It was claimed that reasonably harmonious re-

sults could be secured by amending the Chicago schedules so as to correspond with the principal features of the Union schedule, but this is strongly objected to.

Unable to reach an agreement, the jury in the **case of the State vs. J. V. Roberts,** at Little Rock, Ark., was discharged by Judge Hutton on Wednesday of last week. The jury was out nearly twenty-four hours before final dismissal. The case has been set for trial at the first day of the next term of Circuit Court there. Roberts was charged with desecrating the grave of Edward Pitts, at Searcy, last April in connection with the notorious grave robbery and life insurance swindle charges. At the time he was a nominee for the Legislature and had been mayor of Searcy. He was tried last fall in a justice of the peace court at Judsonia and convicted on the grave desecration charge, the punishment being assessed at a fine of $1,000 and six months in jail. From this he took an appeal and secured a change of venue from White to Lee County. He attempted to establish an alibi, claiming that he was at Armstrong Springs the night the grave was robbed.

The regular meeting of the **Life Underwriters' Association of Chicago** was held at the Hamilton Club in that city April 18. The meeting was entitled an "Agents' Meeting." Vice President James L. Ferguson, of the local association, presided. Very interesting papers were read by Dee A. Stoker, of the Pacific Mutual, on the subject of "Life Insurance From the Standpoint of Investment," and by L. A. Eliel, of the Mutual Benefit, on the subject of "Life Insurance From the Standpoint of Protection." A general discussion of these papers followed. Vice President Wilbur S. Tupper, of the Conservative Life of Los Angeles, Cal., and his assistant, Herman Behrens, were guests of the association. Resolutions and a memorial of a recently deceased member, A. W. Kimball, general agent of the Northwestern Mutual Life, were read by Chairman Major E. D. Redington, of the special committee appointed for the drafting of resolutions.

The **new building of the Mutual Life** insurance company of New York **in the city of Mexico** was formally opened with appropriate ceremonies last week. It is a fine piece of architecture, and stands at the corner of Santa Isabel and Cinco de Mayo. A reception was held which was attended by a number of notable officials of the Republic, including President Diaz and many distinguished members of the foreign colony. General Diaz was received by Ambassador Clayton, of the U. S. A.; John Hatfield, director of the company in Mexico; Dr. Walter R. Gillette, vice president, who made a special trip with other officials for the occasion; Medical Director Eduardo Yarza, and others of the local staff of the company. A banquet was served later in the best room in the new building, which was decorated with American and Mexican flags.

The fire patrol committee of the New York Board of Fire Underwriters is still meeting with difficulty in its efforts to establish a **patrol station on the lower East Side.** Some time ago it was announced that a building had been secured and work would begin at once to remodel it as quarters for a new company. When it came to signing the lease, however, the owner raised his price to an impossible figure. Wherever the committee has tried to secure property they have met with the same sort of a rebuff, it being apparently the East Side impression that the underwriters can be mulcted for any old price. Meanwhile the Murray street company is compelled to make long daily runs over the mile or two between its station and the heart of the Ghetto.

An appeal to Fire Commissioner Nicholas J. Hayes was made this week by several prominent architectural firms and builders for his influence in abolishing the present requirements of section 105 of the building code, which requires the use of **"fireproof" wood** in buildings over 150 feet high. It is claimed that the processes used do not make the wood uniformly fireproof, and that water and dampness destroy its inflammability. It is also stated that it is difficult to obtain wood thus prepared in sufficient quantities at short notice. Among the protestants are McKim, Mead & White, Clinton & Russell, Bruce, Price & Desibour, the Murphy Construction Company, Thompson-Starrett Company, Geo. A. Fuller Company and many others.

The **Credit Insurance Adjustment Company,** the underwriting adjunct of the credit department of the London Guarantee and Accident Company, will operate generally through collection and law agencies instead of through insurance agencies. It holds that these collection agencies are in touch with the business men, and from handling their collections can very easily go a step further and offer to guarantee them. J. Richard Watts, who has the leading collection agency at Louisville, has been appointed State agent for Kentucky, excepting three counties near Cincinnati. The London Guarantee and Accident has re-entered Kentucky, from which it retired several years ago on account of unsatisfactory experience.

The **American Surety Company** did a clever little coup in the "follow up" line a week or so ago. Henry A. Smith, a New York Central ticket agent at Saranac Lake, who was bonded by the American, disappeared with something less than a thousand dollars. The traces of him were very faint, but in less than a fortnight the inspection department of the surety company discovered that he had faded into the tall timbers of the lonely Adirondack district. He was promptly pinched near Dannemora, and is under bail for trial. Soon he will be headed for Sing Sing. Such chases are usually put up to the surety companies, as local police are inclined to waive the strenuousness of steady pursuit.

The Augusta, Ga., *Herald* says that there will be introduced in the next session of the Georgia Legislature a bill to prohibit fire insurance companies from inserting in their policies a clause requiring them to keep an **itemized statement of their daily sales:**

> While in many stores this is done, in a number of others it is not, and in some it would be almost an impossibility. The law now contemplated will forbid the insertion of this clause in the policies. It is said that when losses occur and itemized statements of sales have not been made, the companies sometimes use this fact to force the holder of a policy into a settlement of the claim, which he thinks is less than he is entitled to. There has been quite a lot of talk here about the matter. Some say the clause amounts to nothing, while others contend it is used to hold up policyholders in cases of loss.

Our paternalistic statesman, **William J. Bryan,** is contributing articles on insurance to *Northwest Insurance*, published in Minneapolis. He believes in national supervision, insurance by the State, etc. In a recent article he says:

> There is more money today in the hands of insurance companies of the United States than is good for the country. I believe in State insurance; in the State government conducting an insurance business on the basis where the premiums would cover all expenses and at the same time give insurance to the masses at absolute cost. If my State established an insurance department of the kind I speak of I would take out a policy in it right away. And if such State insurance were a success for life insurance why should it not be for fire insurance as well? I advocate insurance by the State of both life and fire policies.

The **Richmond Life Underwriters' Association** held a regu-

lar meeting at the Commercial Hotel Monday. Mr. T. A. Cary talked on "The Relation of Manager to Manager," as outlined in the constitution. The association is in fine shape and the meetings are resulting in much good in bringing about a more fraternal feeling among the members. Mr. E. C. Reed, of Baltimore, was a visitor from the Life Underwriters' Association of that city, and he made an interesting address. Mr. H. W. Ellerson, of the Life Insurance Company of Virginia, was elected a member.

The *National Life Messenger* has this little **message for agents:**

Is it not true that 90 per cent. of the obstacles of competition which we seem to see really are not there? More often the real obstacle is of the mind or will. Remove that and all can be overcome.

"I took my hat, I took my stick,
My load I settled fair—
I approached that awful incubus
With an absent minded air—
And I walked directly through him,
As if he wasn't there."

The pioneer among **horse** owners, so far as taking out **insurance** protection is concerned, is conceded to be J. W. Schorr, who, it is said, during the two year old career of the noted filly Endurance by Right was unable to sleep after the late William C. Whitney's offer of $35,000 had been refused. Mr. Schorr paid frequent visits to Endurance by Right's stall at night to see that she was safe, and the report of her sale to Mr. Whitney followed a few days after, but had been preceded by Mr. Schorr's action in protecting the filly with a $20,000 insurance policy.

The **new house of "Charlie" Schwab** at Riverside drive and Seventy-third to Seventy-fourth streets, which, when finished, will have cost about $9,000,000, will be covered by a fire insurance policy for $5,000,000. The house is a beautiful marble palace, 75x100 feet, patterned after the Chateau Chenonceaux, France, and the grounds take up a city square. It will be furnished most elaborately with art treasures (all made out of steel), and it is said to be the purpose of the owner, after his death and that of his wife, to give it to the city as a museum.

The annual meeting of the **Western Factory Insurance Association** was held Thursday night at the Union League Club in Chicago. The reports showed the year to have been a prosperous one. The following officers were elected: President, W. J. Littlejohn, of the North British; vice president, P. D. McGregor, of the Queen; secretary and treasurer, C. R. Street, of the Phenix. New members executive committee: W. L. King, of the Providence-Washington, and J. S. Belden, of the Fire Association.

The **Southern of New Orleans,** which has just passed into the control of Robert Dickson, of New York, will be admitted to New York and will write a strictly home business. Some excess lines on particularly desirable risks will be taken in outside territory. The company will establish State agencies with managers on a flat commission and contingent basis. It is understood that Mr. Dickson is also negotiating for a second company to be operated in the same way.

To commemorate the completion of his sixty-sixth year, which occurred last Sunday, the solicitors and office force of **Manager Frederick E. Keep,** of the Boston agency of the Mutual Life, last Saturday gave him a watch and chain and a handsome vase filled with sixty-six carnations. The presentation speech was made by Colonel Dalton, of Salem, senior general agent, and Mrs. M. G. A. Toland, of the woman's branch, read an original poem appropriate to the occasion.

The **Accident Insurance Manual,** issued yearly by the Spectator Company, has appeared in 1905 form. It is a compact and comprehensive compendium for solicitors, covering the plans and policies of the stock accident insurance companies operating in the United States, and shows concisely how much accident insurance of various kinds costs and where to get it. The book costs $2, in flexible leather, of the publishers, at 135 William street.

The **Northwestern Mutual Life** insurance company of Milwaukee will soon enter Missouri again for business. It left that State in 1884 because of legal exactions conflicting with its charter and practices. These laws have since been changed in numerous respects. Mr. Charles Sachs, formerly of Kansas City, who for six years past has been with the company in other territory, will be general agent for the State at his former home.

The **bond** of City Treasurer Blocki, of Chicago, is **for $22,500,000,** signed by the officers and directors of the banks in which the city funds are deposited. They are secured by an indemnifying bond issued by surety companies to the amount of $1,000,000, of which the United States Fidelity and Guaranty Company takes $500,000 and the Illinois Surety Company and the Title Guaranty and Trust Company $250,000 each.

A very interesting talk on **"Lightning and Lightning Protection,"** illustrated by numerous slide views, was given Friday evening of last week by Prof. Elihu Thompson, president of the General Electric Company, before the Insurance Library Association of Boston. Among those present was President Crosby, of the New Hampshire Fire, who next week becomes United States manager of the Royal Exchange.

The **plate glass** companies are getting closer to the proposed **rate agreement,** which, in view of the present practice in some instances of writing risks at a flat premium without regard to size or exposure in order to hold the business, is a very necessary reform. A general meeting will be called soon to hear the reports of the committees who have this matter in charge, and some improvement is hoped for.

The Supreme Court at Springfield, Ill., last week handed down a decision as to what constitutes **gross receipts of fire insurance companies.** The law provides that the net receipts of insurance companies shall be taxed. The court holds that the fire losses should not be deducted in arriving at the net receipts, and that under no construction of the law could the net receipts of the agency be made to mean its net profits.

The **Utah Board of Life Underwriters** has been organized at Salt Lake City by the election of the following officers: John D. Spencer, president; W. G. Farrell and W. J. Deischer, vice presidents; Thomas W. Sloan, secretary; Victor Wells, treasurer; executive committee, R. S. Wells, J. H. Mays, J. M. Settle, Hyrum Baird and S. J. Stookey. Quarterly meetings will be held.

At a banquet Monday night at Boothby's the **Fire Insurance Society of Philadelphia** elected the following officers: President, J. Somers Smith; vice presidents, John H. Kenney and Thomas T. Nelson; secretary, Harry P. Burke; treasurer,

(*Continued on page 422.*)

FIRE PREVENTION.

Read to the Wharton School of Finance and Commerce of the University of Pennsylvania by Everett U. Crosby, General Agent North British and Mercantile Insurance Company and Chairman of the Executive Committee of the National Fire Protective Association, April 20, 1905.

The above subject will be here treated as it applies to conditions in these United States, and from the viewpoint of those who through practicable means seek to reduce the present enormous fire waste.

The problem, as it exists in this country, must be appreciated. We do not possess Old World conditions, where buildings are comparatively small in area, low, generally of solid masonry construction, with small window openings, and frequently separated by wide avenues and parks. Our towns, with few exceptions, have been built hurriedly and cheaply, using vast quantities of wood in floor and roof construction, if not in walls, this material being the most available and least expensive. Consideration has been given only to the needs of the present and immediate future. Speaking generally of city districts, intelligent treatment of the individual risk as regards construction and fire extinguishment has been given only in occasional, yet important, instances, and the conflagration hazard has not been provided against. Where municipal building regulations exist they have been poorly drawn in respect to fire prevention, and sometimes peculiarly observed. It is apparent the desire for better things must be stronger in the hearts of those most interested before any radical reform takes place.

The time has arrived, however, when in many large cities the property owner feels the need of greater security against fire, and complains under the burden of the insurance tax which, although heavy, is claimed to be inadequate, so far as central city districts are concerned. Engineers with the insurance companies are now studying these conditions in detail, and, with the combined interest of all pointing toward intelligent improvement, the present generation may hope to see a change for the better.

"Fire prevention," broadly regarded, suggests three general lines of effort, each one of which demands the detailed and prolonged study of those intending to qualify as fire protection engineers or fire insurance underwriters.

(1) Preventing the origin of fires; (2) controlling fires where they occur; (3) preventing the spread of fires from "risk" to "risk." This includes the following up to best advantage and restriction of such a spreading fire once it is under way. By a "risk" we refer to a property manifestly all subject to one fire, as a building and its contents.

A consideration of these three features points to a further subdivision as follows:

(1) Causes which originate fires: Incendiarism, common hazards and special hazards.

(2) The individual "risk" at which the fire originates: Planning, construction, occupancies, fire extinguishing facilities, fire notification facilities, maintenance of such facilities, inspections and salvages.

(3) Exposure and conflagration possibilities from grouped risks, due to fire extending from one building to others in view of the following cases: (a) Fire in the individual risk passing beyond control; (b) effect of the size of the risk, viz., the quantity of combustible comprising the building and contents subject to burning at one time; (c) fire extending out through wall openings and through roofs; (d) fire entering through wall openings and through roofs; (e) fire spreading, due to the falling of burning rooms, floors and contents; (f) fire spreading, due to falling walls of a burning building; (g) influence of street widths and open areas; (h) influence of prevailing winds; (i) the "range" of or territory affected by heat waves and fire brands; (j) adverse conditions of the weather or of the fire facilities at time of fire.

Such consideration as we will give this very large subject today will consist in running through the topics above outlined and briefly commenting on each.

INCENDIARISM.

This is frequently the cause of a fire. First, we have the "direct moral hazard," where a property is fired by the owner for gain. Second, the "indirect moral hazard," where the owner may not be prospering or permanently located, and has little or no incentive for safeguarding hazards, keeping premises in repair and maintaining fire appliances, thus allowing the physical hazard to become abnormally high. Third, the outside "incendiary" who daily causes much fire waste, as the demented "firebug," the tramp, and the small boy who likes to see the fire department turn out.

The elimination of these hazards is impossible. Their restriction, however, can be somewhat brought about by the engineer in safeguarding fire extinguishing and fire notification systems against malicious tampering; by the fire insurance companies through a continuation and extension of their examination of assured's prosperity and past records; and by the community in providing strict laws and penalties, and enforcing them through an honest fire marshal's department.

Occasionally a theorist advances in public print a suggestion that incendiarism is engendered by overinsurance, and could be entirely remedied by the insurance companies insuring for, let us say, not exceeding three-quarters of the value. The record of fire losses has clearly shown that moral hazard is frequently found among assured of means and of high social standing or with excellent mercantile ratings. It is manifest insurance companies do not extend indemnity where they realize a moral hazard exists. To offer insurance only to the extent of three-quarters of the value would be a great hardship upon the man, fortunately in the vast majority, who does not wish a fire, and would, in event of total loss, bankrupt many property owners of limited means.

The American public is not prepared for State or national laws thus limiting the amount of indemnity that can be collected to a percentage of the amount of loss. The insurance companies would doubtless entertain such a proposition from an assured at any time he might see fit to make it, and it is clear could issue policies on many properties at a reduced rate with such a provision made therein.

COMMON HAZARDS.

These are fire causes common to most risks, the chief of which are here noted:

Heating and Lighting.—These subjects are most carefully speci-

fied and described in the Underwriters' Requirements, and involve the consideration of chimneys, stacks, flues, trimmer arches, fireplaces, stoves, furnaces, boilers, heaters, grates, steam and hot water pipes, fuel and fuel storage, ashes, sparks and oil stoves.

Consideration of the lighting hazard involves knowledge of the rules, regulations and experiences in relation to the providing of artificial illumination by means of electricity, gas, oil, gasolene, acetylene, candles and torches, both fixed and portable equipments.

Housekeeping.—Carelessness in respect to the above causes perhaps the greatest number of fires. Miscellaneous refuse commonly swept up on the floor constitutes an unknown, complex hazard. Often materials are contained therein which, when packed into a receptacle, are likely to ignite spontaneously within a few hours. Cleanliness is conducive to low fire cost.

Lightning, matches, tobacco smoking and fireworks complete our list of the most important common hazards.

SPECIAL HAZARDS.

These are hazards peculiar to different occupancies, and as a rule associated with some process of manufacturing, although they are conspicuous in certain other classes, as, for instance, theatres and hotels.

The underwriters, guided by their fire experiences of many years, have listed these hazards as they obtain in each class of occupancy, stating how they should be located, protected and minimized. This branch of our work is of itself quite sufficient to furnish a lifetime occupation.

The chief of these special hazards appear in some one of the following six groups: (1) Artificial heating, as driers and ovens; (2) spontaneous ignition; (3) explosions of dust, chemicals or vapors; (4) textile stock preparing; (5) boiling over or ignition of inflammable compounds, fats and similar substances; (6) friction at shafting and machinery.

PLANNING A BUILDING.

Too little attention is given this subject from a fire prevention viewpoint.

Care must be taken to isolate or best provide for the special hazards and occupancies; to obtain light and air without creating exposure or draught conditions; to make such reasonable subdivision of the risk into several fire areas as is compatible with the occupancy; to arrange communication from floor to floor for passengers and freight, and yet make provision against a fire seeking the same avenues; to locate elevators and stairs at margins of rooms rather than at inaccessible situations; to consider available fire protection when planning the height or the depth of a building; to make suitable provision for the weights of fire service tanks, the location and accessibility of pumps and boilers; and the elimination of light wells, also of windows in angle walls which would allow fire communication.

CONSTRUCTION.

There are four general classes under this heading: Fireproof, semi-fireproof, slow burning and ordinary. Specifications in numerous items exist in relation to each, not only for the construction of buildings standard in their class but also for the partial improvement of sub-standard conditions.

Fireproof buildings are those of steel cage construction, with all of the metal structural members safely insulated against heat from within or without the building, or they are of reinforced concrete construction with the reinforcing members similarly insulated.

It is important that such buildings have all stairs, elevators and other communications between floors safely encased in fireproof cut-off shafts, and that all nearby horizontal tiers of windows be fitted with wire glass in fireproof frames. Otherwise, a fire in any one story of such a building—forced by the floor construction to burn out through the windows—may communicate on the outside of the building to the stories above through similarly situated windows.

A fireproof building should in reality prove itself a perfect stove, allowing its contents to burn out with a minimum of damage to the building. Many structures bearing the name "fireproof" fall far short of this. The early examples, as might be expected, contained many inadequate features, due to lack of appreciation of the problem involved; yet today just as poor structures are being erected, because the local building laws do not prevent, because they cost less, and owner and architect have not heeded the already well developed fire experiences in this class. It is strange the way the public clings to its belief that things non-flammable are fireproof, and somehow takes it for granted a fireproof building will lend this quality to its contents.

In alluding to this subject one cannot well refrain from citing the lessons of the recent Baltimore conflagration, where the insurance loss on the fireproof buildings was in almost the same ratio as on the ordinary buildings and combustible stock, this being due, primarily, to the large damage done such buildings, and, in the second place, to the shortage of insurance to value on this class.

Of the fireproof buildings involved in the Baltimore conflagration seven were so called "skyscrapers," and of steel cage tile construction. Sixty-four per cent. of the value of these buildings was destroyed by the fire. In this connection it should be borne in mind that these seven buildings were of office occupancy, and did not contain amounts of combustibles which should cause a prolonged interior fire. As a matter of fact conflagrations swept in and out of some of these buildings in less than one-half an hour. Many experts studying these results believe that had the structures been crowded with combustible stocks—as with mercantile and manufacturing occupancies, which would have continued an intense internal fire for hours—the structures would have been even more seriously damaged, even to the extent of collapse and total destruction.

In the conflagration these buildings were without any form of fire protection, as the public department could not have approached them had they desired, due to the burning of surrounding properties. On the other hand, it is fair to remark that at least a number of these buildings contributing to the 64 per cent. damage average were of inferior quality, and by no means represented the excellence of construction which is today employed quite freely by those who are willing to pay the price.

The National Board of Fire Underwriters' committee on Baltimore conflagration has tabulated the following in relation to the chief fireproof buildings, involved, showing the following distribution of building value: Foundations, 6 per cent.; steel frame, 14 per cent.; mason work, 30 per cent.; equipment, 20 per cent., and trim and finish, 30 per cent.

In addition the general expenses attending the fire equaled 5 per cent. total value. These include miscellaneous items, architects' fees, permits, surveys, insurance and cleaning out débris after fire.

It is manifest the trim and finish must all be subject to loss or damage by fire, although the percentage of value therein to the total sound value of the building can be wisely reduced in many new structures from 30 per cent. to, let us say, 20 per cent., subject to fire damage.

The equipment is not likely to all be subject to loss, in fact in the statistics from which we are quoting but 62 per cent. of the 20 per cent. of sound value found in the equipment item was a loss.

We will estimate that in a model building the value of the equipment subject to loss can be figured at 10 per cent.

Fifty-three per cent. of the mason work on these Baltimore "fireproofs" was lost through the fire, that is to say, 53 per cent. of 30 per cent. of the total sound value. Perhaps in a model building this could be reduced to 10 per cent.

From this we learn that there is at least 40 per cent. of the value of a well constructed fireproof type building which cannot, in any event, be considered as exempt from fire loss.

Semi-fireproof buildings are constructed with non-flammable material, but with structural or tension metal members, either entirely exposed or not properly insulated against heat. Sometimes metal lathing and plaster covering are used to conceal the metal.

These buildings are occasionally erected because they are cheaper than the above type, and yet comply with the prevailing building code, or because they are for dwelling house, office or similar occupancy, where the assumption is the amount of combustible within the building is not sufficient to generate heat enough to impair the metal portions of the structure.

SLOW BURNING BUILDINGS,

sometimes called "mill construction," have floors without openings, built of plank laid on wide spaced heavy timbers. No metal is allowed in this type of construction. The plank flooring must in no case be less than 3 inches in thickness, and there must be a tight top flooring, with waterproof paper between. Absolutely no openings must be built or cut through these floors. The planking is laid on timbers spaced from 5 to 12 feet apart, which in turn rest on stout wooden posts of prescribed dimensions.

The idea of this type of construction is to have each story separated from other stories by a tight barrier of considerable thickness, the ceilings presenting smooth surfaces of plank and timber, with as few edges and angles as feasible. It requires several hours under ordinary conditions to burn through a mill

constructed floor, even when the rooms contain large quantities of combustible stock, as in textile mills.

Ordinary buildings have wood joist board covered floors and roofs as distinct features.

Under "construction," altogether the most important feature to provide against, is the vertical opening; that is to say, an opening through floors for stairs, elevators or for other purposes. All such should be strictly tabooed in all types of construction, and their objects served by communication only through fireproof shafts, with approved fire protecting coverings at necessary story openings.

FIRE DOORS, SHUTTERS AND WIRE GLASS WINDOWS.

This subject has received extended treatment, and even today is not in a finally satisfactory shape, yet the underwriters' doors can be depended upon to keep out nearly all fires when placed on both sides of the wall and fully closed.

The type of door and shutter now most in use is of wood covered with specially lock jointed tin plates, and fitted throughout with special hardware. In a fire the wood carbonizes slowly, and the gas therefrom escapes through the lock joints of tin, without accumulating a pressure and throwing off the sheets. In severe fires the wood is all burned out and the charcoal falls to the bottom of the tin covering, but the latter holds together as a barrier at the wall opening, except where it may have been to some extent bent away from the margins of the opening, but the protection of this sheet of metal, plus the less severely damaged door on the other side of the opening, is sufficient to prevent the passage of the fire.

The rapid development of wire glass and frames to hold it promises to revolutionize window protection. Such windows are always in place, and, unlike shutters, do not constitute an additional care, for the nightly closing of shutters serves no purpose except that of fire protection. Again, shutters, particularly the tin clad wooden pattern, disintegrate under the influence of the weather, and at best require considerable expense in the way of paint and repairs. On the other hand wire glass radiates heat, and when subjected to the heat of a severe exposing fire combustible goods at the rear of the glass may become ignited, and in this respect the glass is inferior to a well designed shutter, once the latter is closed and properly fastened.

OCCUPANCIES.

Isolation of hazards has been referred to under "Construction." In addition to this the relative location of processes is of importance.

As an example, in full process knitting mills the card rooms—in which fires most frequently occur—have often been located immediately above the finishing rooms, in which exists a large accumulation of finished goods. Under these conditions every time a fire occurred in the card room a water damage of vastly larger proportions resulted in the finishing room beneath. For the economical operation of the plant it was not necessary that the card room should be over the finishing room.

Attention should be given to the placing of stock on skids, so as to be above the floor and thereby avoid needless water damage, and to keeping stock in cases or "flat" as much as possible, opening up no more than necessary. Large hollow piles of combustible stock are particularly to be avoided, as it is practically impossible to put out a fire spreading within such piles. Needless draping of combustible merchandise about elevators and stair shafts, from counters to ceiling and in light wells, frequently occurs. In many of the department stores holiday displays—such as a cotton wad snow storm throughout an entire light well—have been fearful and wonderful sights. Frequently, through lack of thought, a storekeeper or manufacturer will bring some excessive hazard into his business not necessary thereto, as a stock of fireworks in a drug store, dynamite in a hardware stock or several barrels of benzine in a factory where only a few quarts are needed daily, and the remainder should be stored at a safe distance.

The uses of rooms and buildings, that is to say, their occupancies, are legion, and each—at least theoretically—of relatively different fire cost importance.

FIRE EXTINGUISHING FACILITIES.

We understand a substance to be "burning" when its temperature has been raised to or above the ignition point of the substance, and provided sufficient oxygen is present to support the combustion.

Inflammable substances are those having a low ignition point. The burning of such substances raises the temperature of similar adjoining substances so that they in turn burn, thus extending the fire.

In fires which concern us the oxygen in a required amount is supplied from the air combining with the inflammable materials at their respective ignition points. Chemical action results; heat and the fire with which we have to contend are produced; also gases, which burn and constitute flame; and smoke, consisting of particles of the substances which, partly consumed, are carried away by the currents of hot air.

To extinguish a fire we must, therefore, either reduce the temperature of the burning substance below its ignition point or exclude from it the air. The fire protection engineer is concerned with the most practical method of accomplishing this end.

From the time of Hero, who, about 150 B. C., describes the construction of a two cylinder fire pump, up to the present day, water has constituted the only extinguishing means of any importance, and bids fair to so remain for an indefinite period in the future. Nothing more efficacious than the syringe "squirt," water pail pump and hand brake fire engine were developed and put in practice until the middle of the nineteenth century. Chemical extinguishers of little value were used in the eighteenth century. The portable hand pump, draughting from a trough of water, was in use in Germany, England and elsewhere during the middle and latter part of the eighteenth century. The first steam fire engine was brought out in London in 1829 and in the United States in 1853. Flexible leather fire hose was made in Amsterdam in 1672. A Philadelphia manufacturer, during 1808, brought out a copper riveted leather hose. During 1720 fire hose of hemp was manufactured in Germany. Rubber fire hose was introduced in England in 1827. The first electric fire alarm system was installed in the city of Boston, Mass., in 1852, although two years previous the Morse telegraph system had been employed for sending fire alarm notices in New York city. In the last fifty years the radically increasing values in large single risks and in congested city districts and the combustible construction and disregard of sound protection principles have brought about rapid strides in the development of fire extinguishing appliances in this country.

The importance of checking a fire in its early stages can be readily realized. Five minutes' start through unstopped vertical openings may spread the flames to all portions of a building, and such a large quantity of combustible contents and building material may be put on fire at one time as to exceed the ability of the fire department to cool off the mass faster than the fire spreads to new material. One pound of wool fuel will evaporate about 1 gallon of water, and a large area of crowded buildings exists in many localities of nearly every city where if a fire breaks out the question as to whether a total loss of the one building or a conflagration in the neighborhood results depends upon a few minutes or seconds difference in the time the water is put on the fire.

Another point to be borne in mind is that with a considerable fire under way it is very hard for the department to get near enough to have their hose streams search out the burning mass; they are often deceived by the smoke and fail to locate the heart of the fire until it is too late. Hose streams directed from the street cannot effectively penetrate the fifth or higher stories of usual buildings or lower stories of very deep structures and movable water towers as now used by the public departments add but a few stories to the effectiveness of such streams. It is apparent that frequently located fixed metal standpipes must be introduced in order to allow of anything like an effective concentration of public hose streams upon a fire burning in the upper stories of a high building. It is variously estimated that from six-tenths to nine-tenths of the water thus discharged through hose streams is wasted. That occasionally disastrous fires result is not the fault of the fire department but of those who allow conditions to exist which may bring conflagrations to pass at any moment.

AUTOMATIC SPRINKLERS.

To obtain the desired control of fire the following are needed: (1) A prompt application of water, prompt almost to the extent of being instantaneous with the fire outbreak; (2) the discharge of the water locally precisely at the seat of the fire, and distributed so that the least amount of water will do the greatest amount of good ; (3) an immediate notification that the fire is in progress.

These conditions might at first thought be considered quite impossible of fulfillment. This instance is an exception in that the ideal is not only possible but practicable, in fact an undisputed ability to meet these specifications is well proven.

We find such protection only in the modern sprinkler installation, which operates automatically and immediately upon the outbreak of fire, confines its operations to the very location where the fire is occurring, and gives prompt fire alarm to any point desired through the medium of the sprinkler pipe alarm valve.

Properly installed automatic sprinkler service is altogether the best known and most efficient means of fire fighting. We have had for some twenty years the sensitive automatic sprinkler protection, and yet today its possibilities are not realized. This type of protection is destined within a short time to be generally regarded as the apparatus in chief for the extinguishment of fires. It will be generally found in most buildings having combustible construction or contents of from moderate to large values. This branch of fire protection, more than any other, has been the subject of the most careful research, test and specification. It already has a considerable literature available to the student, covering both engineering features and fire loss statistics.

FIRE PAILS.

These constitute the simplest, best understood and most used means of fire extinguishment; hence the careful requirements on the subject, which are more extensive than you might assume.

Other fire extinguishing apparatus coming under detailed specifications are the following: Public and private water works systems, cast iron underground piping, post hydrants, public and private fire department, fire department 2½ and 3 inch hose, 2⅝ inch cotton, rubber lined private outside hose, 2½ and 1 inch unlined linen hose, playpipes, spanners, hose houses, carbonic acid gas chemical extinguishers, monitor nozzles, stationary steam fire pumps, rotary and centrifugal pumps, electrically driven pumps, pressure and gravity tanks and cisterns and valves and fittings.

FIRE NOTIFICATION FACILITIES.

In the endeavor to bring all available fire facilities into operation as quickly as possible, the public manual electric fire alarm service has been highly developed. Automatic fire alarm systems, extending to all portions of building, are much in use. An electrical supervisory notification system for the different parts of an automatic sprinkler system is now coming upon the market, whereby too high or too low a temperature or water level or air pressure in a gravity or pressure tank, the partial closing of a valve or the flow of any water through the system, will immediately give detailed notice at central station. In addition to the above the old fashioned inefficient watchman is still employed, and he in turn is watched by a central station or a stationary or portable clock system. We also have the alarm valve on the automatic sprinkler system above mentioned.

MAINTENANCE AND INSPECTIONS.

"Improved Risks"—those having a considerable amount of complex devices and apparatus for the notification and extinguishment of fire—require to have such systems maintained at all times. To see that this is done the property owner has an organized system of inspection, which in turn is checked up by the less frequent but more thorough insurance inspections. The inspection of risks, not long since given over to the inexperienced, is now assuming almost the position of a profession. Graduates of technical schools in large numbers are obtaining remunerative employment in this occupation, and the general character of the work is being advanced.

SALVAGES.

In event of a fire occurring it is clearly desirable to save as much of the value as possible.

To this end sub-division of risks, tight floors, smoke ventilation of buildings, drainage of floors and basements and coverings for stock are provided. in addition to which salvage corps are maintained in most cities, who devote themselves to this work.

EXPOSURE AND CONFLAGRATION.

Exposure from an immediately located building represents an entirely different condition from a conflagration district exposure. Conflagrations must, however, be prevented largely through reduction of the immediate exposure hazard.

We have above learned that a large quantity of combustibles in any one risk, if it become a fire at one time, may likely exceed the capacity of the public and private fire fighting facilities. Such being the case it is beyond control in the one risk. The fire will then in time, except with a fireproof building, burn out the floors and roofs, allowing them to fall to the ground, together with such contents as at that time are unburned. This is likely to cause a great wave of heat and a shower of brands to extend to nearby properties which may have been, up to that time, unmenaced. Again, it is likely to tear down the walls of the building, which, if blank, may have constituted an excellent fire barrier, or the walls in falling may topple out and open up exposed risks which have until then withstood the fire.

The wind prevailing at the time of such a beyond control fire is an important factor, for if the fire communicates to other buildings, and, spreading, becomes a conflagration, the wind will determine to a large degree the direction and hence the extent of the area to be destroyed. In such a conflagration the area immediately in front of its progress for from a few hundred feet to at times several blocks may be rendered untenable by the heat waves, gases and firebrands driven in front of the advancing conflagration. It is at such a time impossible to fight the fire from such a point, in which event resistance must solely depend upon blank walls, fire protecting window coverings, non-flammable roofs, and, to some extent, fire protection at individual risks.

The public department, through a large number of high pressure hose streams, will often be able to surround a fire and prevent its general spread, although it may be beyond control in the building where it originates; or, failing in this endeavor, they may follow on either side of a spreading fire and hem it in, preventing back fires and local subsidiary conflagrations. Adverse conditions which the public department have to meet must, however, be realized, such as unusual snow fall, extreme cold weather in certain sections of the country, or gales of wind; street repairs which prevent access of apparatus or department to hydrants or buildings; water supply system locally impaired, due to drought, repairs or extensions, or carelessly closed gate valves.

It is therefore seen that, to use reasonable precaution against the conflagration hazard, we must

First, curtail the size of risks so they cannot contain in any one section an amount of combustible which if on fire at one time is likely to place the district beyond control of existing facilities.

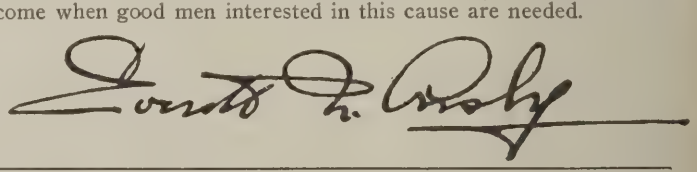
Second, extend over most occupancies the protection of a well designed automatic sprinkler service.

Third, positively prevent communication from floor to floor of a building except through fireproof shafts.

Fourth, all exterior windows, including all windows on street fronts, except opposite open areas, should be fitted with fireproof wire glass windows, and, in addition, where exposures are severe, with approved shutters.

Fifth, the public water and fire department facilities, in most instances ill prepared to meet severe conditions, should be radically increased. This may involve the introduction of a modern, adequate and direct fire pressure water supply.

All these things and many more are directly a part of the broad subject of "fire prevention." It is for me today to but give you a glimpse up these various avenues of investigation and research, and I will express the hope that you will find the subject inviting, take occasion to pursue it diligently, and become factors in the reduction of needless fire waste, as the time has come when good men interested in this cause are needed.



FACTS AND OPINIONS.

(*Continued from page* 418.)

Simon Katz; executive committee, Joseph Doyle, Houston Dunn, W. Bennet Gough, James A. McGann, John H. Packard, Jr., Albert A. Pancoast and James F. Stone.

The trouble between the **Chicago Underwriters' Association** and Johnson & Higgins has apparently been solved by the decision of that firm to close its Western branch at Chicago. Injunction proceedings against the association are still in the courts, a hearing having not yet been arrived at. The firm was accused of cutting rates at Rockfield, Ill. A marine agency will be maintained, however, in Chicago.

The assessor of **Sioux City,** Ia., has decided that the sufferers in the **conflagration** in that city on December 23 last shall have to pay taxes on the insurance moneys they received for their losses. He holds that while the property values

were depreciated by the fire, the property owners were indemnified in part by the insurance companies and should therefore pay a tax on what they still possess.

The directors of the **North British and Mercantile** of London report the results of the fire business for the year ending December 31, 1904, as follows: The net fire premiums amounted to £1,938,336. The net fire losses (including £200,000 for Baltimore and Toronto conflagrations, losses provided for out of the profits for 1903) amounted to £1,273,458; the surplus on fire account (excluding interest), to £177,097.

In conformity with many requests the executive committee has changed the place of the annual meeting of the **South Eastern Tariff Association** from Atlantic City to Old Point Comfort, Va. The dates, May 24 and 25, remain unchanged. It is understood that the manager of Hotel Chamberlain, at Old Point Comfort, has offered special inducements in order to secure the meeting.

The **Columbia University fire testing station,** conducted by Professor Ira H. Woolson, of the department of mechanical engineering, has begun operations again with the return of warm weather, and two tests have been held there recently. A test of a patent cement and cinder block partition, under 1,700° Fahr. for an hour, was made on Wednesday and was successful.

Several large **labor unions** have their national headquarters at Indianapolis. Some of these **carry on insurance** departments, paying out nearly a half million dollars annually, and the Indiana Insurance Department is considering the advisability of requiring them to comply with the insurance laws of the State.

The fourth conviction connected with the **burning of the Liberty Block in Foxboro, Mass.,** last February, resulted in the sentencing, Friday of last week, of Peter Obamin to a term of years in State prison, the charge being the procuring of arson with the object of defrauding insurance companies.

The **Continental Life Insurance and Investment Company** of Salt Lake, Utah, has been notified by State Auditor Cunningham, of Montana, to stop writing its **"local adviser" policies** in that State. Auditor Cunningham maintains that this form of contract is in itself a rebated policy.

The Newark, N. J., *Advertiser* says that a committee of aldermen from **Paterson** went to New York on Monday and secured a promise from the National Board that a 15 per cent. **reduction in rates** would soon be put in force there provided the city will buy the new apparatus asked for by Chief Stagg and appoint sixteen new firemen.

The program committee of the **National Association of Local Fire Insurance Agents** has been announced as follows by Chairman E. J. Tapping: Charles F. Wilson, Denver; John F. Lyon, Tacoma; C. H. Woodworth, Buffalo; Thomas H. Geer, Cleveland; Fred. Guenther, Detroit; R. H. Mabry, Selma, Ala.

The tax collector of San Francisco, **Edward J. Smith,** who has been discovered to be a **defaulter** for about $250,000, was bonded by the National Surety Company for $100,000. He is supposed to be on his way to Honduras in company with a woman from that city's Tenderloin.

At **St. Louis, Mo.,** the formation of a **new stock** fire insurance company, with a capital stock of $100,000 and a surplus of $50,000, is announced. Edgar M. Davis is its promoter and manager, and Charles E. Rollins, of Rollins & Burdick, Chicago, is on the directorate.

The **Metropolitan Fire of Chicago** has paid in the recent increase in its capital and will soon enter New York State. Mr. Edward Cluff will represent it in the metropolitan district, New York. Secretary G. Essig, of the company, was in New York this week.

Rumors are abroad in New Orleans of an effort **to buy the Lafayette Fire** insurance company of that city. Definite details are lacking. It is possible that the overtures were made by the interests which lately secured the Southern Fire of that city.

The hazardous ice house risk showed up again in South Framingham, Mass., last Saturday, when the flames consumed the plant of the Boston Ice Company and destroyed 40,000 tons of the commodity, valued together at some $70,000.

The **headquarters of the Winona Fire insurance company** are to be removed to Minneapolis. Fred C. Van Dusen, of that city, has been elected president, succeeding the late E. D. Dwyer, and R. E. Tearse has been elected vice president.

The right of a fire insurance company to insure against **explosions caused by natural gas** is in doubt in Kansas, and Insurance Superintendent Luling has asked the Attorney General to consider the question and give him an opinion.

An old Indiana charter will be used by F. S. Gray, secretary of the defunct Manufacturers and Merchants Fire of Chicago to establish the **Wabash insurance company** with $20,000 capital. This leviathan will write surplus lines.

The report recently made by Examiner S. H. Wolfe to the Maine Insurance Department on the **North German Fire** insurance company of New York was satisfactory to the department and the company has been licensed there.

Following a hearing in the Supreme Court Friday of last week, Judge Morton appointed Henry A. Wyman, of Boston, receiver of the **Colonial Life Association** of that city, a fraternal organized on the lodge plan six years ago.

The **Eastern Department of the Pacific Mutual Life** insurance company, under the able conduct of Manager William Bruce Mann, removes as of May 1, 1905, from No. 6 Maiden Lane to the tenth floor of 68 William street.

The **Illinois Surety Company,** which proposes to operate largely through fire insurance agencies, has appointed Frank A. Dunning, a well known fire special agent of Illinois, as its superintendent of agencies.

The **annual meeting of the National Board of Fire Underwriters** will be held on May 11, at 11 o'clock a. m., in the rooms of the New York Board of Fire Underwriters.

The May meeting and dinner of the **Life Underwriters'**

Association of New York will be held at the Hotel Astor, in this city, on the 25th of that month, at 7 p. m.

The **Calumet of Chicago** has been admitted to membership in the Western Union in accordance with the plans of the late Secretary Fowler.

The **Standard Life and Accident** insurance company of Detroit, Mich., has removed its home office to the Penobscot Building in that city.

The **Georgia Home** is considering Massachusetts as a field of operation, and President Rhodes Brown has been looking it over.

The **Los Angeles**, Cal., **Life Underwriters' Association** has made preparations for an active campaign against rebating.

The **Sunlight insurance company** of Atlanta has been chartered in Georgia to do fire insurance on the mutual plan.

Oklahoma has **admitted the Agricultural** insurance company of Watertown and the Camden Fire of Camden, N. J.

The **Starkweather & Shepley** agency in New York moved this week to 80 William street.

Credit insurance will be written by the London Guarantee and Accident after May 1.

Personal.

AGENCY APPOINTMENTS.

Ætna Life: Charles H. Weldon, special agent for Connecticut.

Assurance Company of America: Secor Cunningham, Chicago, Ill.

Bankers Life: W. A. Carleton, Boston, Mass., general agent for Eastern Massachusetts.

Caledonian: E. A. Groover, of Jacksonville, State agent for Florida.

Calumet Fire, Chicago: McComas & Kroh, general agents, Baltimore, Md.

German Alliance: Meikle & Dodson, of Omaha, general agents for Nebraska.

Metropolitan Fire, Chicago: D. J. Swenie, special agent for Cook County at Chicago; John Dreihs, special agent for Illinois.

National Surety Company: Frank L. Gilbert, Pacific Coast manager, San Francisco, Cal.

National Union Fire of Pittsburgh: Bertram D. Cole, special agent for Virginia and North Carolina.

Security of New Haven: Thomas A. Manning, general agent for Texas, Louisiana, Arkansas and Oklahoma.

Traders of Chicago: Fitzgerald & Morgan, Buffalo, N. Y.

United States Casualty Company: Meikle & Dodson, State agents, Omaha, Neb.; H. E. Lippman & Co., State agents for liability and steam boiler lines, Seattle, Wash.

President Frank Caldwell, of the Western and Southern Life insurance company of Cincinnati, Ohio, has been fighting a suit for damages for the last ten years in the Ohio courts. He owned two St. Bernard dogs a decade ago. These dogs, while frolicking on the street, knocked down a Mrs. Heintz, who sued for a large sum for alleged damages. The case was knocked out last week in the Ohio Supreme Court, but the plaintiff, it is stated, will begin it all over again. The dogs died of old age some time ago.

Mr. H. H. Rimington, who for two years has been conducting a brokerage business in New York city, and who was formerly Western general agent of the Teutonia of New Orleans, will take charge of the Western business of the Union of Philadelphia on May 1. He will make the company's home office his headquarters.

Mr. David S. Munger, head of the Chicago local agency firm of Munger, Vokoun, Wetmore & Witherbee, died Monday from a hemorrhage of the brain. He was eighty years old last Christmas. Mr. Munger had not been at his office much for the past six months, but had attended to his business over the telephone.

Mr. Edward Quackenbush, who has for a number of years been secretary and stamp clerk of the Paterson Insurance Club, and was formerly a local agent there, has been appointed New Jersey special agent of the National Fire under State Agent Ross M. Wickham, in whose office he began his insurance career.

Mr. A. F. Bolling, special agent of the American of Philadelphia for Kentucky, West Virginia and Tennessee, will also take charge of Indiana, which territory has just been relinquished by Mr. Waite Bliven. Mr. Bolling"s headquarters are at Louisville.

Special Agent O. T. Klepinger, of the Fireman's Fund in Texas, Oklahoma and Indian Territory, will shortly resign to take the field again for the New York Underwriters' Agency in South Texas. He was formerly general adjuster for Cravens & Kelly.

Mr. Thomas A. Manning, of Dallas, Tex., has resigned as State agent of the North British and Mercantile to become general agent of the Security of New Haven in the Southwest, and will supervise Texas, Louisiana, Arkansas, Oklahoma and Indian Territory.

Mr. Thomas A. Manning, Texas State agent of the North British and Mercantile, has resigned, taking effect June 1, to become general agent of the Security of New Haven for Texas, Louisiana, Arkansas Oklahoma and Indian Territory.

Mr. D. S. Munger, of the Chicago, Ill., insurance firm of Munger, Vokoun, Wetmore & Witherbee, died at his home in that city of bronchitis on Monday, aged eighty years. He had been for thirty-five years a resident of Chicago.

Mr. Arthur J. Williford, of Raleigh, N. C., has resigned as agency manager of the South Atlantic Life insurance company of Richmond, Va., to accept the general agency of the New England Mutual Life insurance company at that city.

Manager Charles H. Post, of the Caledonian insurance company, sailed on Thursday for Scotland to attend the centennial celebration of the establishment of his "canny" company, which will be held in Edinboro town on June 4.

General Superintendent George W. Riggs, of the Reliance Life at Chicago, has resigned. He was formerly Chicago agency director of the New York Life and later president of the Mutual Life insurance company of Illinois.

Mr. J. C. Crawford, formerly assistant actuary of the Northwestern Mutual Life insurance company of Milwaukee, has been promoted to the post of associate in that department. He is succeeded by Mr. Frank C. Hemsing.

Mr. F. M. Drake, inspector for the Kentucky and Tennessee board at Frankfort, Ky., has been appointed special agent of the Hanover in Kentucky and West Virginia, succeeding the late J. S. Moore.

Mr. M. L. Ward has resigned as special agent of the North British and Mercantile insurance company for New Jersey, which position he has held for ten years.

Mr. Leonard K. Thompson, Minnesota manager of the Security Mutual, has been made vice president and manager of the Northwestern National Life of Minneapolis.

Assistant Secretary Gilbert Congdon, of the National Surety Company, is on tour in the South, visiting some of the leading agencies of the company.

Mr. Fred C. Van Dusen, of Minneapolis, has been elected president of the Winona Fire of Winona, Minn., succeeding the late E. D. Dyar.

Mr. Charles W. Hatter, of Hatter & Weeks, insurance agents at Baltimore, Md., died Apriil 14 from a complication of diseases.

Mr. Josiah W. Guy, an insurance agent of Oakdale, Pa., died April 23 at his home there. He was seventy-five years old.

Mr. John R. Bruce, of Cincinnati, has been elected first vice president of the Western and Southern Life of that city.

Mr. Louis Gren, an insurance agent of Brooklyn, N. Y., died suddenly in Chicago on Monday of heart disease.

Mr. Frank A. Dunning has been appointed superintendent of agencies for the Illinois Surety Company.

Mr. T. W. Letton, United States manager of the Prussian National, will leave this week for Europe.

Defaulter F. G. Bigelow, of Milwaukee, has resigned his trusteeship in the Northwestern Mutual Life.

Insurance Legislation.

Connecticut.

HARTFORD, Conn., April 28.—The last hearing on the Hartford Life's safety fund matter was given by the Committee on Insurance yesterday afternoon. Judge Stoddard, for the complaining policyholders, showed that the lapses in the Hartford were largely in excess of other local life companies and claimed that the company charged the assessment policyholders $160,000 as collection expenses for services not worth over $15,000. Mr. William Bro Smith, of the Travelers, and other policyholders testified that their insurance cost less than in other assessment companies, which was disputed by the policyholders, and the hearing closed.

The bill authorizing the assignment of life insurance to a mar-

ried woman by her husband, the premium on which shall not exceed $500, and exempting the insurance from attachment by creditors of the husband notwithstanding the fact that the premium may have been fraudulently kept back from such creditors, has passed both houses.

Florida.

TALLAHASSEE, Fla., April 25.—Mr. Kirkland has introduced in the House a bill providing for the punishment of pools, trusts and conspiracies to control prices, and providing for evidence and prosecution in such cases. The first section provides that any corporation organized under the laws of Florida or any other State or country, and transacting or conducting any kind of business in that State, or any partnership or individual or other association or persons whatsoever who shall create, enter into, become a member of or a party to any pool, trust, agreement, combination, confederation or understanding with any other corporation, partnership, individual or any other person or association of persons to regulate or fix the price (for any length of time) of any article of manufacture, mechanism, merchandise, commodity, convenience, repair, any product of mining, or any article or thing whatsoever, or the price or premiums to be paid for insuring property against loss or damage by fire, lightning or storm, or to maintain said price when so regulated or fixed, or shall enter into, become a member of or a party to any pool, agreement, contract, combination, association or confederation to fix or limit the amount or quantity of any article of manufacture, mechanism, merchandise, commodity, convenience, repair, any product of mining or any article or thing whatsoever, or the price or premiums to be paid for insuring property against loss or damage by fire, lightning, storm or any other kind of policy issued by any corporation, shall be deemed and adjudged guilty of a conspiracy to defraud, and be subject to penalties provided by the act.

Illinois.

SPRINGFIELD, Ill., April 22.—Mr. Pogue's valued policy bill, House Bill No. 150, has been advanced to second reading in the House.

Massachusetts.

BOSTON, Mass., April 24.—The Senate this afternoon postponed to April 28 the House general bill, No. 1126, for the incorporation of casualty companies to do a boiler business in order to await the fate of the special bill. The special bill for the above purpose was vetoed by Governor Douglas this afternoon in a veto message sent to the House. The bill is practically the same as was vetoed by Governor Bates last year, and the veto is on the ground that the bill permits the company to do two kinds of business with the capital required for one kind of business. The bill is also special legislation. The House put the veto in the orders for tomorrow.

BOSTON, Mass., April 25.—The House voted this forenoon, without debate, by 18 yeas to 142 nays, not to pass over the veto of Governor Douglas the bill to incorporate the Massachusetts Casualty Company.

Minnesota.

ST. PAUL, April 21.—The insurance laws passed at this session were:

Chapter 118, House Bill No. 100, by Mr. Roberts, to permit the incorporation of companies to write sprinklered risks only.

Chapter 130, Senate Bill 219, by Mr. Smith, permits Lloyds to insure against sprinkler leakage.

Chapter 181, Senate Bill No. 324, by Mr. Horton, amends the law relating to deposits of securities so that the deposits made with insurance commissioners in the States where the companies are organized can be accepted by the Minnesota Commissioner.

Chapter 229, Senate Bill No. 181, by Mr. Cole, reorganizes the Insurance Department, provides for turning all fees into the State Treasury, and revises the fee list. The bill changes the old law so as to increase the salary of the Insurance Commissioner to $4,500. All fees received by him shall be paid by him into the State Treasury. Salary for the deputy is fixed at $2,000, and the actuary at $2,000. Regarding examinations of companies the act says:

Sec. 4. The Commissioner of Insurance may, whenever he deems it necessary, employ a competent person to make an examination of the affairs of any insurance company admitted, or applying to be admitted, to do business under the laws of this State. When such person so employed is not a salaried officer of said department, his compensation or per diem for making such examination shall be determined by the Commissioner of Insurance and the amount thereof, together with all expenses incurred in making such examination, shall be paid by the insurance company so examined to the commissioner and by him paid over to the Treasurer of the State, and said Treasurer shall pay therefrom, upon the proper voucher, the compensation and expenses of the person so making said examination.

Sec. 5. When any such visitation or examination is made by a person regularly employed in said department and receiving a salary from the State of Minnesota, the company so examined, except township mutual insurance companies, shall pay as fees to said Insurance Department the sum of $10 per day for each and every day necessarily occupied by such person in making said examination, which fees shall be accounted for and turned into the treasury of the State of Minnesota. In case of the examination of township mutual insurance companies the actual expenses only thereof shall be charged.

Chapter 248, Senate Bill No. 481, by Mr. Thompson, provides for the publication of annual statements of insurance companies in local papers. Companies outside the State must publish in both St. Paul and Minneapolis, as now. Home companies in the counties where the home office is located.

Chapter 303, Senate Bill No. 383 by Mr. Laybourn, regulates the consolidation of life, accident, or health insurance companies, and requires that before making any such consolidation or reinsuring the risks of any other company, such company shall notify the Insurance Commissioner. The Governor, or some one appointed to serve in his place, the Attorney General and the Insurance Commissioner are made a commission to look into the advisability of permitting such consolidation or reinsurance.

Chapter 331, House Bill No. 707, by the Insurance Committee, prohibits discrimination in fire insurance premiums under penalty of $500 fine and provides for a fire marshal at $2,500 a year, to be paid for out of a tax of one-fourth of 1 per cent. on fire premiums.

Michigan.

LANSING, Mich., April 28.—Mr. Waters has introduced an anti-compact bill in the House as drastic as the Arkansas law.

New York.

ALBANY, N. Y., April 22.—The Senate Insurance Committee has reported Mr. Frawley's Senate Bill No. 960, for the relief of the National Surety Company.

The Governor has signed Mr. Ambler's Senate Bill No. 215, allowing domestic fire insurance companies to pay dividends in excess of 10 per cent, despite the restrictions imposed by present law.

ALBANY, N. Y., April 25.—The Senate passed today Mr. Lewis'

House Bill No. 798, putting Lloyds under the jurisdiction of the Insurance Department.

ALBANY, N. Y., April 26.—The Senate has advanced to third reading Mr. Page's Senate Bill No. 757, prohibiting casualty and credit insurance companies, after June 1, 1905, from transacting the business of indemnifying merchants from loss and damage by reason of extending credit to customers.

ALBANY, N. Y., April 26.—The House has substituted Senator Frawley's bill for the relief of the National Surety Company, which has passed the Senate, for Mr. Young's similar House Bill No. 1014, on the order of third reading.

The House has passed Senator McEwan's bill, No. 737, requiring mutual benefit fraternities to file with the Superintendent of Insurance certified copies of the constitution and bylaws and of all amendments to the same.

ALBANY, N. Y., April 26.—Preceded by a long harangue, Mr. Palmer introduced in the Assembly today a resolution for the appointment of three Senators and five Assemblymen as a committee to investigate the condition of the Equitable Life Assurance Society, and appropriating $20,000 for the purpose. Mr. Palmer made the resolution the medium of a political attack on the majority party in the Assembly.

Mr. Rogers objected to the consideration of the resolutions under the rule, and Mr. Palmer said that he would reproduce them another day.

ALBANY, April 27.—The House has passed the bill of Senator Ambler, No. 392, in relation to amendments of charters of domestic insurance companies

ALBANY, N. Y., April 27.—Senator Grady has introduced and had advanced to third reading, with reference, Senate Bill No. 1011, amending Section 25 of the insurance law, to provide that no insurance corporation organized under the laws of another State of the United States, or organized under the laws of any country outside of the United States, shall transact any business of insurance in this State while any of its funds are invested in or loaned on its own stock or the stock of any other insurance corporation carrying on the same kind of insurance business. Any such corporation now authorized to transact business in this State with investments in conflict with the provisions of this section shall, upon notice from the Superintendent of Insurance, dispose of such investments within ninety days from notice, or the superintendent shall thereupon cancel and revoke its certificate of authority to transact business in the State.

No further meetings of the Senate or the Assembly Insurance Committees are apt to take place this session, so that the chances of getting more insurance bills than those already reported on the calendar of either House of the Legislature are regarded as remote. Probably not half of the insurance measures introduced will receive any consideration from Senate and Assembly, a majority of them remaining unacted upon in committee.

ALBANY, N. Y., April 28.—The House has passed Mr. Tompkins' House Bill No. 1534, providing that the Superintendent of Insurance make annual valuation of all outstanding policies, additions thereto, unpaid dividends, and all other obligations of every life insurance company doing business in the State and fixing the method of such valuations. The House has also passed Mr. Brackett's Senate Bill No. 267, forbidding life insurance agents from acting as agents of the insured.

Mr. Grady's Senate Bill No. 1011, relative to the jurisdiction of the Superintendent of Insurance over foreign corporations, was today reported favorably without amendment. The Senate has passed Mr. Page's bill forbidding casualty and credit insurance companies after June 1 from transacting the business of indemnifying merchants from loss and damage by reason of extending credit to customers.

Texas.

AUSTIN, Tex., April 25.—The Governor has vetoed the bill passed by the recent Legislature to prevent the removal of suits from State to Federal courts.

Wisconsin.

MADISON, Wis., April 26.—A Senate Bill No. 512, introduced by the Committee on Finance, Banks and Insurance, provides for investigations into the origin of fires.

The Senate Insurance Committee has reported favorably on House Bill No. 391, by Mr. Thieme, to require all insurance contracts to be in writing and to prevent discriminations in premiums.

Miscellany.

The Affairs of the Equitable Life Assurance Society—The Events of This Week.

An account of the visit to Vice President Hyde of a committee from the meeting of the general agents of the Equitable Life Assurance Society, to request him to resign his office, was given in our issue of last Saturday. Mr. Hyde made a verbal reply, declining to resign, and promised to send a letter to the committee later. The following was the letter:

The subject upon which you have addressed me involves the consideration of the whole unhappy controversy which has been in progress for several months past. The injurious effect of that controversy upon your fortunes I appreciate, and I can well understand your strong desire to promote some action that will bring it to an end. In that controversy I feel that I have been treated with great injustice, and that no one has so serious cause for complaint as I have. So far as any good results could be served by the resignation of any officer responsible for the injury which the society has suffered and is doubtless to suffer in the future your request is misdirected.

In view of the concessions I have been willing to make for the welfare of the society, I resent your misguided action, taken in utter ignorance of the true situation, of which you cannot possibly have accurate knowledge. Your request, perhaps unwittingly on your part, is merely another move in the campaign of attack originally devised. When the real facts are known to the policyholders I believe that all right minded men among them will be as indignant as I am with the methods that have been employed by my enemies for their own ends, in pursuing which they have not hesitated to sacrifice the best interests of the society and to disregard the proper protection of the policyholders. Your action, instead of furnishing a solution of the present unfortunate situation, renders the difficulty more acute. It is regrettable that in this situation the convention of managers did not take advantage of its opportunities to become a factor in promoting honorable peace.

I assume that you have been kept informed, through the newspapers, of the assaults that have been made upon me, but I doubt whether you have been told of the efforts I made to avert the injury to the society from these attacks.

You probably know in a general way of the circumstances under which I was hastily summoned to the offices of the president, by telephone, from the country, on the eve of the annual meeting and shortly before the expiration of the trust under which my stock is held; that I was there confronted, without previous notice of warning, with a hostile memorial of officers and employees, which had been secretly circulated and in many instances signed under coercive influences; that my immediate retirement was demanded under threats; that I peremptorily refused to retire, and that such refusal was followed by the immediate submission to the board of directors of a demand for my retirement and for practical disfranchisement of the stock of the society. It may surprise you to learn that the leaders of this attack upon me and the society have persistently disclaimed responsibility for any and all of the newspaper publications assailing me and defaming the society and its management. The plea of mutualization was a mere sham under cover of which it was designed by those leaders to wrest the control of the society from the re-

sponsible hands of the most representative body of directors in this country and to transfer it to their own grasp through the use of the agencies as instrumentalities.

I can understand the desire of your body for mutualization, but I have never believed, and I do not now believe, that a system of control which virtually places the agents over the directors and officers is sound in principle. At the threshold of this matter and before any public controversy had arisen it was, however, urged upon me that there was a genuine desire upon the part of the policyholders that they be given the right to vote for directors. Therefore, notwithstanding my own views on the subject, and in order to meet this desire of the policyholders, and to give time for the careful consideration of the proper method of bringing this about, I offered to place my stock in the hands of trustees for five years, to be voted in accordance with the directions of the board of directors. I could hardly have given stronger evidence of my solicitude for the welfare of the society. This offer was not accepted. The authors of the conspiracy made impossible demands.

Finally, although I was advised by eminent counsel that the power of control of the stock could not be lawfully taken away without the consent of its holders, either by the board or by the Legislature, I consented, so far as my stock interests were concerned, that the policyholders should elect twenty-eight of the fifty-two directors of the society. This concession was intended for the benefit of the policyholders, but in practical effect, as I then feared and now believe, it was the purpose that any concessions by me should be utilized for the benefit and account of the instigators of this movement, who proposed to erect a constituency of agents to control the votes of policyholders. This belief is confirmed by the extraordinary proceedings at your recent meetings in this city, in which the power dominating the meetings was quite apparent.

Although it was represented that this important concession would assure permanent peace for the society, it was followed by new demands, to which I again acceded in the belief that faith would at last be kept and peace restored. Then I was told that these concessions which had been secured from me because of my loyalty to the society and on the repeated assurances given to the board of directors and to me that they would, if granted, be accepted as a complete settlement, were simply a means to an end, and that the warfare would go on until I should be forced out of office and the voting power of the stock, which had been expressly reserved, should be completely destroyed.

It is evident that I have been designedly tricked. Thus far I am the only person in this controversy who has made any sacrifices. The others have no such substantial interests in the society and nothing to lose by this warfare against its prosperity. I now know that those sacrifices which I have been deceived into making have been simply an encouragement to further attempted invasions of the rights of stockholders. As a fitting phase of these proceedings you are, at this juncture, gathered here from all parts of the country, and, under the exciting influences of false rumors, induced to pass unfortunate resolutions without so much as informing yourselves of the facts of the situation.

I am justified in further reminding you that the matters upon which you have assumed to act are matters not for your consideration and action, but for the consideration and action of the board of directors of the society. These matters are now in their hands, and the facts relating to them are being definitely ascertained by an investigating committee appointed by the board. To the board and to the committee I have made a number of communications stating the facts and expressing my views upon these subjects. I do not feel at liberty to further discuss them also with you. I can only say that I think you are making a mistake in the course you are following, and that your duty to the society requires you rather to submit loyally to the lawful direction of the board of directors than to associate yourselves for the purpose of stirring up further strife and endeavoring to override and frustrate the action of the board.

While I resent—and I am justified in resenting—your mistaken action toward me, I am by no means indifferent to your good will or callous to your hostility, and I trust that in the future of the society's affairs I shall be able to gain for my own part in their administration the support and approval of the men who have now so intemperately misjudged me.

Members of the committee who were interviewed upon the subject of the above letter expressed their dissatisfaction with its tone and statements, and it was decided by the committee to make no formal reply.

AGENTS' INTERVIEW WITH SUPERINTENDENT HENDRICKS.

A committee from the general agents' meeting waited upon the Superintendent of Insurance at Syracuse April 21 and presented their views upon the situation of affairs. The Superintendent said that he had heretofore clearly expressed himself in favor of mutualization. He promised that if Justice Maddox decides in the Lord suit that the Superintendent has no power to put in force the amended charter, an appeal will be made to the Court of Appeals or the United States courts. He did not believe that the Hyde interests instituted the Lord suit. Mr. Lord is opposed to the mutualization plan, said Mr. Hendricks, only because he believes his stock will be impaired by the amended charter. Mr. Hendricks expressed himself in favor of the proposition in the hands of the Attorney General concerning policyholders' representation upon the directorate, making it only a question of time when policyholders will be in control. In closing, Mr. Hendricks said:

And I will tell you, too, that before I get through with this company I will find out who are dummies. I will find that out absolutely. You can rely on this. When we get done we will tell you the true condition of the society. I can't tell how long it will be, whether days, weeks or months, but it will be thoroughly done. In the meantime the Frick committee has asked questions which will take thirty or forty days to answer.

INTERVIEW WITH THE GOVERNOR.

At Albany the committee called on Governor Higgins. He said:

I realize fully that this is a very serious talk. I realize fully that the policyholders of this company have been led to believe that it was mutual in its character. I would be glad to do anything within reason that I could do to bring about mutualization. But I desire to call to your attention the fact that difficulties that arise between citizens in the State of New York—very fortunately, I would say, rather than unfortunately—cannot be settled by the Governor nor by the Legislature, but that those questions of difference have to be settled in the State by the courts.

The plan of mutualization which you spoke of a few moments ago was adopted, as I understand it, by the board of directors of the Equitable Life and placed in the hands of the Superintendent of Insurance—a gentleman in whom I have unlimited confidence as to capacity and as to integrity. A few days ago a suit was brought by Mr. Lord questioning the right of the Superintendent to mutualize this company, to deprive him as a stockholder of the power that his stock gave to him, and of the benefits which he claimed that he might derive were mutualization not to take effect. That matter is today in the courts—in my opinion, in the place where it should be settled and the only place where it can be settled as to the relative rights of the stockholder and the policyholder of the Equitable Life.

Suits by policyholders for the appointment of a receiver, accounting and division of the surplus, in their respective localities, were instituted during the week in Chicago, Denver and Baltimore and other places. One by J. Wilcox Brown, of Maryland, was begun in the United States Circuit Court in the city of New York. It was reported during the week that a plan was on foot to combine the various receivership suits started here and elsewhere in one suit, to be conducted by Sullivan & Cromwell, of New York, attorneys.

A policyholders' protective association was formed at New London, Conn., and at Altoona, Pa., W. S. Hammond, a large policyholder, called on other policyholders to join him in an appeal to the United States Circuit Court for a receiver.

OPINION BY CHAIRMAN CRIMMINS.

Mr. John D. Crimmins, chairman of the policyholders' protective association of New York, indulged in the following reflections this week upon conditions which he did so much toward beginning:

Things in the Equitable are quiet now, pending the report from the Frick investigating committee. It is a good thing that the factional fight has quieted down. The public is not interested in this dispute among the directors, but it has a great interest in the question of whether the surplus and assets of the society are intact. That will be determined by the report of the Frick committee. It also will be determined by it whether any officers of the society have been guilty of wrongdoing. I know enough of

the situation to say positively that all talk of resignations at present is premature. No one is going to request resignations until there is something to back the charges. When we get the report of the Frick committee we shall know whether there has been any wrongdoing. If there has been, the responsibility for it will be placed, and then will be the time for charges to be made. That is the logical way for carrying out this movement. No business man would think of making any charges against an officer of a society while an investigation of this sort was pending.

There has been a great deal of talk about the agents and what they accomplished at their conference. I think that in spite of all their resolutions of confidence in various officers of the Equitable they have not bettered the situation any. They seem to have acquired false notions of what all this trouble is about.

It looks as though they permitted themselves to be led into the fight to become partisans. It is a good thing that agents should have the society's welfare at heart, but they should investigate all sides of the controversy thoroughly before taking any decisive action such as they have done.

There are a good many lawsuits for receivers in various parts of the country. They are brought, it seems to me, always by very small policyholders and are handled by lawyers who possibly are simply thrusting themselves into the trouble for the notoriety and from selfish motives. I believe many bills are being introduced in the Legislature simply for the self advertisement of those introducing them. Lawyers all over the country know that other lawyers are getting big fees out of this trouble. They think if they can worm their way in they also will get fees, and certainly the advertisement. It seems to me that some of these suits are merely looting enterprises.

The Pittsburgh agents of the Equitable Life met in conference in that city on April 24, under the chairmanship of Manager Woods, and strongly endorsed the action of Messrs. Alexander and Tarbell.

At the suggestion of Insurance Commissioner Prewitt, of Kentucky, there may be a meeting of representatives of State insurance departments in the city of New York next week to confer upon Equitable affairs. Commissioner Folk, of Tennessee, and Commissioner Host, of Wisconsin, approve of the idea, and the latter has written Commissioner Cutting, of Massachusetts, who is the president of the National Convention of Insurance Commissioners, proposing that he request the Equitable Life to submit to a joint examination by the various insurance departments. The Colorado Insurance Commissioner, Mr. Tesch, is reported by a Denver dispatch as saying that if the factions in the Equitable management do not settle their "family scrap" at once, the company's license in Colorado will be revoked.

Argument was heard on Monday by Justice Maddox, of the Supreme Court in Brooklyn, in the Lord suit, and by Justice McLean, of the Supreme Court in New York, in the Tull suit.

Anticipating a possible change in officers of the company in the near future, Judge George Gray, of the United States Circuit Court, General Nelson A. Miles and Dr. William A. Fricke have been variously suggested for the presidency. It may be added that during the week both President Alexander and Vice President Hyde again asseverated that they had no intention of resigning, and would not do so.

Attorney General Mayer on Wednesday gave to Senator Brackett, attorney for Mary S. Young, his consent that the Senator may bring suit against the Equitable Life, "it being distinctly understood that the action is not to be brought in the name of the people of the State, nor in the name of the people on the relation of your client, or of any other person."

In a suit brought by D. Leroy Dresser, former president of the Trust Company of the Republic, against the Mercantile Trust Company and "James H. Hyde and Associates," he made allegations of having been defrauded of $2,000,000, which allegations are denied by the defendants.

A resolution for a joint investigation by the two houses of the New York Legislature of the affairs of the Equitable Life was introduced in the Assembly on Wednesday by Mr. Palmer, the minority leader, but on objection being made it was laid over.

The New French Law for the Supervision of Life Insurance, Etc.

The following summary of the law recently enacted by the French Senate and Chamber of Deputies for the supervision and control of life insurance and all enterprises in which enters the factor of the duration of human life is translated for this paper from *L'Argus,* of Paris:

All enterprises, French or foreign, of any nature, which make contracts, the execution of which is dependent upon the duration of human life, are subject to the present law, except societies defined by the law of April 1, 1898, as societies for mutual aid, and public or private provident institutions governed by special laws.

These enterprises shall limit their operations to one or more of those lines laid down by this law. They are forbidden to stipulate or execute contracts by which the distribution of benefits is made by drawing lots. They may operate only after being registered at their request, by the Minister of Commerce. Within six months of such request the Minister of Commerce shall make mention of the registration in the *Official Journal* or notify those interested of his refusal to make registration. Any modification or change of charters, rates of premiums or assessments shall be put into force only after a new registration made in the same manner.

Refusal of registration may be made for an infraction of the laws regulating such companies or the decree contained in Article 9 hereinafter. Those interested may appeal from such a refusal, within three months, to the Council of State.

For French stock companies, limited or unlimited, the statute calls for compulsory liquidation in case of the impairment of its capital. For mutual or tontine companies the law determines manner of administration and employment of the sums accumulated, as well as the share of assessments to be apportioned for the administration of the company.

French stock companies, limited or unlimited, must have a capital stock of at least 2,000,000 francs (about $386,000). Mutual or tontine companies must have at the beginning a fund not less than 50,000 francs subscribed, which must be redeemed in five years at the most. All companies must maintain a guaranty reserve according to the provisions of Article 9, paragraph 4, which takes the place of the deposit prescribed by Article 36 of the law of July 24, 1867. However, this reserve is not obligatory upon tontine companies.

All companies writing term policies are required to maintain a mathematical reserve equal to the difference between the values of the contracts respectively entered into between the company and the assured under the conditions laid down in the above mentioned law at Article 9, paragraph 5. This obligation does not apply to foreign companies except as to contracts written or executed in France or Algeria.

Companies shall report annually, at a time and in a manner determined by the Ministry and according to the advice of the consultative life insurance committee provided for hereinafter, a comparison—first, between the real mortality of their insured and the expected mortality according to the tables used in the calculation of their mathematical reserves and tariffs; second, between the rates charged for business actually written and the rate assumed for purposes of calculation. In case of large or repeated deviations in these elements, a ministerial decree may exact at least every five years a ratification of the basic calculations of the mathematical reserve and of the tariff of rates and assessments. This decree shall be constituted under the advice of the consultative life insurance committee, the representatives of the company concerned having been heard and having put their case in writing within thirty days. They shall fix the time within which the rectification shall become operative.

When the profits divisible among the assured are not payable immediately after the settlement of the accounts which produced them, an individual account shall mention each year the portion of these profits to be allotted to each contract written or executed in France or Algeria, and must be addressed to the assured.

A ruling of the Administration, rendered at the request of the Ministers of Commerce and Finance, shall determine what portion of the active capital of foreign companies is attributable to contracts executed in France or Algeria, as well as the method

of annual valuation of the different kinds of policies, and the guaranties which shall be made for values which have no definite determination. Companies must notify the Ministry in prescribed form of any change in capital, after approval of the consultative committee. The committee is empowered to decide the methods of registry of companies, the amounts to be deposited by various kinds of companies and how such deposits may be returned to the companies; the length of time which shall elapse between registration and the beginning of business; the amount of expense in establishing new French companies of different kinds and how this expense is to be written off the books; the guaranty reserve to be determined for each class of companies; the tables of mortality, rates of interest, loading, minimum rates and the mathematical reserves; the conditions under which the state shall hold the deposits of foreign companies on account of their business in France and Algeria; how tontine companies may be conducted; how the special accounts relating to insurance contracts written in France and Algeria are to be kept. The fixation of a minimum premium is for the apparent purpose of forcing the American life offices in France to raise their non-participating rates to a level where the French offices will have a chance and also to do away with the operations of many assessment organizations.

Beginning of the Experiment of Fire Insurance by the State in New Zealand.

(*Australian Banking and Insurance Record.*)

It is now more than a year since the New Zealand Parliament authorized the establishment of a State Fire Insurance Department, which has at last developed into a going concern and opened its doors to the public January 4 last. The delay in commencing operations has no doubt been partly occasioned by the difficulties experienced in making the necessary preliminary arrangements, particularly with regard to reinsurance. They have, however, for the moment been surmounted, and the Government at last finds itself in a position to make a start.

It will be remembered that the State fire insurance project has been brought forward several times, and in various forms, during the past eight or nine years. The scheme finally adopted contains no compulsory clauses, but, broadly speaking, authorizes the Government to compete for business on such terms as they may see fit to offer. It was at one time stated in a semi-official way that the new department might be regarded merely in the light of an additional company seeking to secure a share of the business. However, owing to the fact that the State office is expressly debarred from entering into agreements with other companies with regard to rates, it was considered improbable that it would enter the field with no other purpose than that of friendly rivalry. This expectation has proved to be correct, for the new department has from the outset deliberately adopted the most aggressive tactics. In particular, before it had even opened its doors, it altogether transgressed the bounds of what is usually considered legitimate business competition by systematic attacks on the agency connections of other companies. During the past few months many offices have found that attempts were being made in various centres to capture their local representatives and induce them to transfer their business and influence to the State office. Such methods as these are wholly indefensible. They would be considered highly discreditable in the case of a private competitor, and their adoption by a Government organization is certainly most unseemly.

As regards the actual conduct of its business, the State fire office has, in the first place, gazetted regulations which are virtually a set of ordinary fire policy conditions. This is tantamount to an admission that the business is conducted by the insurance companies on sound and equitable lines, and that the cardinal principle that fire insurance is not a mere wager, but a contract of indemnity, cannot be safely abandoned. Of course, no one well acquainted with the business ever had the slightest doubt on this point, but it was made a grievance by some of those who clamored for State fire insurance that the companies did not pay the face value of a policy, without question, in case of loss. In that respect these malcontents will find themselves no better off than they were before.

In the matter of rates the new department has announced that it is prepared to accept risks at a reduction of 10 per cent. on the rates provided by the tariff under which the companies have been working. Considering the unatisfactory results of business in New Zealand during the last few years, the wisdom of this step is certainly open to question, but still it is a move which might naturally be expected from a new competitor determined to exercise a free hand. It has had the effect of practically forcing the insurance companies into a fighting attitude, and they have resolved to reduce their rates by 33 1-3 per cent. for dwellings and other business in the same class, and by 10 per cent. in the case of other risks. It is not to be supposed that the condition of the busiiness warrants these sweeping reductions, but the companies doubtless recognize that this is a case where half measures would be of no avail. Unless they can retain their hold upon a reasonable share of the business they might as well close their New Zealand establishments altogether. Many of them, we can well believe, would not be very reluctant to take even that extreme step, were it not that they are loath to sever old established connections and part company with officials and agents who have served them well, perhaps for many years, and to whom the loss of their emoluments might be a serious inconvenience.

For two reasons in particular we have always been strongly of opinion that, even if conducted on ordinary underwriting lines, the State Fire Insurance Department would have but little prospect of success. In the first place, its administration will probably be very costly; and, secondly, it is more than likely that political influence will be brought to bear, both in connection with the acceptance of risks and the settlement of losses. To these difficulties is now added the burden of unremunerative rates, and the managers of the department have only themselves to blame for the fact that they are starting under such particularly inauspicious circumstances. They might have commenced business by adopting current rates, relying on Government influence and the specious attractiveness of a triennial distribution of profits (if any be realized) to bring them a fair amount of business. In that case, though their presence might have been unwelcome, it would not have provoked a great display of antagonism. As it is, they have determined on a policy of undercutting, and have done their best in various ways to undermine an established business. The most valuable portion of this is held, not by outside concerns, but by local offices, whose shareholders and policyholders alike enjoy the advantages and security afforded by those well managed undertakings. These institutions have extended their operations to other parts of the world, just as some offices having their headquarters elsewhere have opened establishments in New Zealand. These latter fulfill an important public service by offering facilities for covering large risks, and in addition they give local employment and contribute largely to the revenue in the shape of taxation. The so-called foreign offices, as well as the local companies, should have been considered worthy of encouragement and support, instead of which both have been made the objects of unscrupulous attack.

Perhaps the most objectionable feature of the whole business lies in the fact that the scheme is not really designed to give the people the benefit (if there be any) of becoming their own insurers. To a large extent the department will be a sort of brokers' bureau for sending money out of the country. It was recognized from the first that the business could not be safely carried on without some provision for reinsurance, and this has been secured by an arrangement with Lloyds underwriters. This association will, it is understood, carry a very much larger proportion of the business than that retained by the State office. The major portion of the premiums will be passed on to them and though much of it will come back for the settlement of losses, the expenses attaching to this part of the business will be disbursed abroad instead of locally. It is indeed a singular spectacle to see the Government of a high protectionist country deliberately depriving its own people of employment by driving the work beyond its borders.

The present position is unsatisfactory to the insurance companies, but they have ample resources to see them through a difficult situation, which they are meeting in what is probably the only reasonable way open to them. In the meantime the public are reaping the benefit, though this advantage may not apply to risks subject in a large degree to the conflagration hazard. The companies are hardly likely to touch business of that class at lower premiums, if, indeed, they do not demand the substantial increase which recent losses amply warrant. The State department will probably not pursue its cutting tactics very far in this direction, though it has already claimed that the Government has accomplished its object in getting an all-round reduction in rates. If any credit attaches to an attempt to compel trading corporations in self defense to conduct their business at a loss, the department is doubtless entitled to it. It is too soon to attempt to forecast the utlimate outcome of this new experiment, but the development of the situation will be watched with interest.

Old Age Pensions.

(From an Official Report by United States Consul Haynes, Rouen, France.)

In many countries the question of insurance for workmen has received a more or less practical solution. It is in operation, obligatory or voluntary, in England, Belgium, Austria, Denmark, Sweden, Norway, Hungary, Italy, Finland, Switzerland, New Zealand and Germany.

In Belgium the insurance against accident and disability is obligatory for miners. Moreover, since January 1, 1900, the Government has a national fund for retiring pensions which is voluntary and insures to each of its members when sixty-five years old a pension of $69.50.

The insurance of miners has also been compulsory in Austria since 1889. The least insurance is $41 for men and $20.50 for women. Insurance against sickness and accident is also obligatory for those employed in industrial and agricultural pursuits, but accident insurance can in no case exceed 60 per cent. of the annual wages.

From the sixtieth year in Denmark the needy receive help in varying proportion, the state and commune contributing equally.

For the last fifteen years a workman's insurance committee has existed in Sweden, and since 1886 the Riksdag has put aside yearly $428,800, which sum is to cover the first expense when the law for the insurance of workmen is voted.

In Norway accident insurance for all industrially employed workmen whose salary does not exceed $290 is compulsory.

In Hungary insurance is obligatory for employees of both sexes working in industrial establishments, mines, furnaces, quarries, docks, yards, railroads, interior navigation, posts, telegraphs and telephones, and in commerce if their wages do not exceed $2.15 a day. All members are assured (1) free medical treatment, together with medicine, for twenty weeks; (2) food for at least twenty weeks; (3) aid in childbirth, and (4) burial expenses.

There exists in Italy a voluntary insurance against sickness and disability and an obligatory insurance against accidents. For a disability pension one must have been insured for twenty-five years and be sixty years old.

All workmen in Finland are authorized to insure against sickness, the cost of which is borne equally by the employer and employee. All differences are settled by arbitration. Every workman in an industrial establishment gaining more than $145 is compelled to insure against accidents. The accident fund, to which the workman contributes nothing, is created by the employers and the state.

On October 25, 1899, the Federal Council of Switzerland voted in every canton a compulsory insurance law against sickness and accident, based, with a few modifications, upon the principles of the German law. This failed to satisfy the people and it was rejected May 20, 1900, by a vote of 341,914 against 148,035. The Federal Council some time after asked the permanent commission of workingmen's insurance to draft a new law better suited to the needs of the country. It is also a question in Switzerland to create compulsory insurance against old age. At present railroad and steamboat workmen are admitted to the pensions created by these two enterprises. These pensions are under the control and supervision of the state.

A pension of $87 is allowed by the Government of New Zealand to the indigent aged who have inhabited the country uninterruptedly for twenty-five years without any legal condemnation. Every old person who has come to the pension age gets the entire pension if he has a personal revenue of $164 or more. For each $4.80 above the law diminishes his pension accordingly.

There is perhaps no country in the world where workmen are so protected by the state or are so cared for as in Germany. Even clerks, shop assistants and servants are compelled to insure. This insurance is effected by pasting into a book certain stamps every week, and it is the duty of every employer to see that this is faithfully done.

In the German Empire there are three insurances for workmen, all of which are obligatory and under the authority of the Imperial Insurance Office, viz.: Sickness, accident, old age or infirmity. This insurance is mutual and its administration autonomous under state control. It embraces, without distinction of nationality, all persons working in Germany.

Disability and old age insurance in the German Empire is obligatory from the sixteenth year and embraces every workman earning over $482. It is optional for workmen whose annual earnings are more than $724. The resources for this insurance are furnished by the employer, the employed and the state, the latter giving toward each pension a uniform subvention of $12 and paying the workman's dues during the time he is serving his military term. All remaining expenses are shared equally by the employer and the employee, who pay according to the five classes into which the Imperial Insurance Office has arranged the insured, viz: (1) Workmen gaining no more than $84 pay 3.3 cents per week; (2) a wage not greater than $133 pays 4.8 cents weekly; (3) a maximum wage of $205 pays 5.8 cents, (4) a maximum wage of $277 pays 7.24 cents and (5) a wage between $277 and $482.50 pays 8.68 cents weekly. The amount paid by the workman is deposited in the bureau by his employer, who buys special stamps and affixes them to the employee's receipt after having deducted from his wages the amount due.

The minimum of disability or infirmity pension, which is not allowed for less than 200 weeks' work, is $28 for the first class, $31 for the second, $32.50 for the third, $34 for the fourth and $36 for the fifth class. After fifty years, or 2,000 weeks, of work these pensions are increased to $44.75 for the first class, $65 for the second, $79.50 for the third, $94 for the fourth and $108.50 for the fifth.

An old age pension is paid to every insured workman of seventy years or over who has deposited not less than 1,200 weekly dues. The dues deposited for the employee by the state during military service are counted among these 1,200 as well as temporary interruptions. Old age pensions of the first class amount to $26, second class $34, third class $41, fourth class $48 and fifth class $55.50.

Saved by the Scissors.

BAD HEARTHS.

We have numerous partial losses and we don't know how many total losses from faultily constructed hearths in nice dwellings.

When a loss is partial we find the cause, but when a loss is total the cause must be in many cases guessed at.

Hearths for grates or for small fireplaces are usually, where there are no building laws, of but one thickness of brick laid on mortar on boards, sometimes covered with sheet iron, laid on the floor joists, which are cut out 3 or 4 inches below the floor level for that purpose.

With a small degree of heat the brick, mortar and sheet iron heat through, and in a few years so char the boards or timber under the hearth that spontaneous combustion ensues, and sometimes the fire is discovered in time to ascertain the cause thereof and to make a small loss; and sometimes the loss is total and rats and matches take the blame.

Properly constructed hearths are laid on a brick arch built from a cross header joist in front of the fireplace to the back part of the chimney and without any wood or frame support directly underneath; this class of hearth costs a little more than the brick laid on mortar on boards on joists, flimsy way of doing, but being safe is worth the extra cost.—*Fireman's Fund Record.*

THE RIGHT ATTITUDE.

There are few relationships of a business nature that require a larger measure of confidence than that which exists between an insurance company and its agents.

The company, in many classes of insurance, must furnish the agent with policies and indorsements or riders signed in blank, needing only the counter signature of the agent to make them valid; thus depending altogether upon the agent's honesty to report the items of the policy (risk involved, term, rate, premium, etc.) exactly as it was written, and upon his judgment as to the desirability of the risk until the home office can review it.

The company places its good name in the keeping of the agent within the bounds of his territory. It is identified with him in the minds of his community. If he is clean or foul in speech, straightforward or tricky, neat or slovenly, attentive or neglectful, punctual or tardy, the company is rated likewise by the people he meets. In their eyes he is the company: as he is, so it is. He is the custodian of its reputation, the trustee of its standing.

Again, the company must trust largely, frequently altogether, to the information the agent furnishes regarding risks. This is true especially of casualty lines. For, even in those that are inspected by a home office representative, such as elevator, boiler, sprinkler and some of the liability lines, it is impracticable to inspect in advance except in occasional instances. So that the company must depend upon the agent for complete, accurate and truthful data, so far as he can possibly procure it, on the business he sends in. The company has little, if any, means of judging at

(Continued on page 433.)

Life Insurance Business in West Virginia in 1904.

(Compiled from a Statement by the State Auditor.)

COMPANIES.	Policies Issued. Amount.	Policies in Force Dec.31, 1904. Amount.	Premiums Received.	Losses Incurred.
Ætna Life, Hartford	$312,088	$2,102,264	$73,339	$42,456
Connecticut Mutual	27,000	326,969	5,470	.....
Des Moines Life	67,500	261,500	4,192	4,000
Equitable, New York	2,499,823	11,880,322	429,952	77,106
Equitable Industrial, D. C.	270,507	387,463	13,743	4,235
Fidelity Mutual, Phila.	593,517	2,177,516	72,694	2,000
Germania, New York	75,000	350,226	13,145	5,000
Hartford, Hartford	5,000	.....	3,538	7,000
Home Life, New York	468,966	1,589,045	59,776	11 000
John Hancock Mut. Life	663,200	2,587,094	74,541	10,116
Life Ins. Co. of Va.	128,202	291,080	12,545	3,211
Manhattan Life	334,000	705,864	31,306	5,000
Maryland Life, Baltimore	32,500	237,764	7.259	2,000
Metropolitan, New York	1,648,037	1,680,952	242,204	51,185
Michigan Mut., Detroit	201,423	708,797	24,142	9,056
Mutual Life, Illinois	2,000	.....	474	.....
Mutual Life, New York	1,230,074	6,513,214	296,932	75,500
Mutual Benefit, Newark	431,925	2,141,442	75,122	37,421
Mut. Reserve, New York	62,000	.....	25,604	38,000
National Life, Vt.	172,685	2,813,228	96,706	31,000
New England Mutual	29,500	323,658	10,343	5,000
New York Life	2,090,626	10,885,190	368,563	69,996
Northwestern Mutual	169,533	2,321,087	55,928	19,625
Pacific Mutual Life	39 924	81,622	2,509	.....
Penn Mutual Life	410,921	2,097,113	71,821	20,000
Phœnix Mutual Life	115,227	772,388	29,359	2,275
Pittsburgh Life and Trust	54,700	62,900	2,424	750
Provident Life and Trust	53,500	312,400	15,254	10.500
Provident Savings Life	250,493	1,304,651	55,108	15,000
Prudential, Newark	2,013,686	2,874,583	194,850	27,226
Reliance, Pittsburgh	107,000	106,000	4,486	.....
Security Mutual Life	256,076	389,116	9,605	1,000
Security Trust and Life	1,000	59 983	2,327	.....
Security Life and Annuity	497,000	665,000	28,198	.....
South Atlantic Life	34,000	50,500	2,129	.....
State Life, Indianapolis	393,284	808,731	27,613	7,000
State Mutual, Worcester	64,794	789,781	5,219	688
Travelers, Hartford	121,134	668,264	15,006	1,500
Union Central, Cincinnati	156,000	1,049,676	26,407	9,500
Union Mutual, Portland	389.977	1,078,883	40,578	2,023
United States, New York	32,500	259,880	7,884	900
Washington, New York	412,354	789,781	30,436	2,000
Totals, 1904	$16,918,676	$63,716,147	$2,569,030	$610,269
" 1903	16,441,139	57,802,721	2,231,221	486.652
" 1902	13,903.588	49,307,969	1,892,213	580,300
" 1901	16,374,312	42,082,662	1,587,520	315.897
" 1900	9,812,966	35,402,693	1,239,025	334,603
" 1899	12,877,674	31,618,698	1,133,858	318.100
" 1898	11,407,598	27,582,979	907,292	272,906
" 1897	6,714,110	24,301,000	750,171	269,905

The industrial business is included in the returns of the industrial companies.

Fire Insurance Business in District of Columbia in 1904.

(Reported by the Companies to The Weekly Underwriter.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$258,892	$3,020	$2,529
Ætna, Hartford	828,900	7.517	4,587
Agricultural, Watertown	1,452,300	10,415	1,922
Allemannia, Pittsburgh	180,870	1,761	9
American, Boston	83.834	665	75
American, Newark	350,830	3,535	360
American Central, St. Louis	197,494	1.777	1,680
American Fire, Philadelphia	714,680	5,021	1,851
Arlington, Washington	3,435,046	25,986	5,264
Assurance Co. of New York	191,221	1,188	52
Atlas, London	453,630	4,200	1,530
Boston, Boston	332,637	2,934	69
British America, Toronto	223,342	2,055	155
British America, New York	61,850	686	23
Buffalo Commercial, Buffalo	124,850	1,433	30
Buffalo German, Buffalo	181,400	1,298	13
Caledonian, Edinburgh	410,180	4,409	214
Citizens, St. Louis	434,529	5,392	3,117
Colonial, Washington	1,894,362	12,843	3.731
Colonial, New York	151,808	1,794	1.991
Columbia Fire, Washington	3.545,879	20,875	2,460
Commercial, Washington	3,509,517	27,614	6,135
Commercial Union, London	913,981	11 384	4,094
Continental, New York	1,697,842	14,005	1.662
Corcoran, Washington	2,961.790	18,460	2,324
Delaware, Dover	71,713	462	.....
Delaware, Philadelphia	180,945	1,682	1,076
Dutchess, Poughkeepsie	164 639	1,602	50
Equitable F. and M., Providence	132,433	1,039	18
Farmer's Fire, York, Pa.	$118,718	$1,187	$187
Federal, New Jersey	257,755	2,470	1,507
Fire Association, Philadelphia	490,987	5,115	2,114
Fire Ins. Co. of C. of Philadelphia	95,125	839	55
Fireman's Fund, San Francisco	582,814	4,901	2,213
Firemen's, Washington	6,482,787	37,230	13,746
Firemen's, Newark	316,210	2,488	27
Franklin Fire, Philadelphia	216,546	2,242	1,678
Georgia Home, Atlanta	132,750	1,799	3,684
German, Freeport	332,085	2,312	.....
German Alliance, New York	255,782	3,188	501
German-American, Washington	3,497,443	17,390	3,945
German-American, Baltimore	55,225	517	8
German-American, New York	3,810,189	28,272	5,510
German Fire, Peoria	372.555	3.755	[3,529
Germania Fire, New York	537.860	3.679	68
Glens Falls, Glens Falls	310.133	2,068	81
Girard F. & M., Philadelphia	559,795	3,564	3,011
Globe and Rutgers, New York	136,050	1,670	.....
Hamburg-Bremen, Hamburg	487,271	4,180	2,961
Hanover Fire, New York	626,102	4.871	1,098
Hartford Fire, Hartford	1,379,623	14,106	4,730
Home, New York	2,158,256	21,529	2,745
Home F. and M., San Francisco	562,818	4,950	623
Indemnity Fire, New York	109,574	1,231	1,768
Indianapolis, Indianapolis	102,200	1,208	.....
Insurance Co. of North America	953,804	8.719	2,013
Jefferson Fire, Philadelphia	253,850	2,207	74
Law Union and Crown, London	77,246	931	132
Liverpool and London and Globe	1,443,226	15,373	2,501
London and Lancashire, Liverpool	574,854	5,112	2,460
London Assurance Corporation	191,600	2,470	4
Lumbermens, Philadelphia	79,650	458	.....
Mercantile Fire and Marine, Boston	146,896	1,113	794
Milwaukee Fire, Milwaukee	139,830	1,441	1,427
National, Allegheny	88,350	901	.....
National Fire, Hartford	394,890	4,782	520
Nat. Metropolitan, Washington	1,923,248	11,818	1,710
National Union, Washington	4,778,362	26,413	2,267
National Union, Pittsburgh	555,100	4,045	2,796
New Brunswick, New Jersey	4,500	73	.....
New Hampshire Fire, Manchester	719,490	6,724	574
New York Fire, New York	182,175	1,425	251
Niagara Fire, New York	612,734	5,157	2,330
North British and Mercantile, London	4,616,503	28,590	6,028
Northern, London	1,141,609	10,437	5,624
Northwestern National, Milwaukee	4,643,309	25,388	4,694
Norwich Union, Norwich	1,358,710	14,259	10,576
Orient, Hartford	480,049	4,359	3,177
Palatine, London	381,805	3.630	2,162
Pelican, New York	59.775	703	286
Pennsylvania Fire, Philadelphia	415,000	4,151	1,587
People's Fire, Washington	2,500,944	13,535	1,288
Phenix, Brooklyn	657,590	6,741	3,478
Phœnix, London	608,611	7,835	1,503
Potomac, Washington	4,540,700	22.130	4,283
Providence-Washington, Providence	587,375	5,781	1,158
Queen, New York	475,085	5,061	2,369
Rochester German, Rochester	133.377	1,173	1,016
Royal, Liverpool	2,481,691	19,556	2,582
Royal Exchange, London	1,660,757	13,129	6,041
St. Paul Fire and Marine, St. Paul	187,469	1,990	2
Scottish Union and Nat'l, Edinburgh	454,670	4,960	2,192
Security, New Haven	247,825	1,611	60
Skandia, Stockholm	310,831	2,534	648
Springfield F. and M., Springfield	1,052,295	10,054	7,785
Spring Garden, Philadelphia	203,075	1,417	150
State, Liverpool	55,246	738	138
Sun, London	1,023,857	12,205	9,089
Traders, Chicago	352,229	3,123	1,087
Toledo F. and M., Toledo	9,500	267	.....
Union, Philadelphia	136,800	1,286	914
Union, London	270,930	3,435	703
United Firemen, Philadelphia	154,686	1,909	349
Virginia State, Richmond	231,550	3,380	2,641
Western, Toronto	397,401	4,815	86
Westchester Fire, New York	637,387	4,941	984
Western, Philadelphia	125,075	1,541	248
Williamsburgh City Fire, New York	340,570	3,548	1,065
Totals, 1904	$97,029,560	$737,159	$211,894
COMPARISONS WITH BUSINESS OF PREVIOUS YEARS.			
1903	$96,618,920	$725,826	$139,326
1902	100,188,323	636.379	99,561
1901	97,260,926	594,784	285,077
1900	87,281,308	550,148	161,567
1899	94,373,176	595,060	294.159
1898	96,506,797	616,775	295,859
1897	86.094,725	500,764	383,119
1896	79,550,027	499.122	169,298
1895	69,828,834	457,840	183 417
1894	75,148,286	475,502	298,629
1893	57,798,703	365,913	173,221
1892	61,150,726	373,902	111,225
1891	58 957 029	339,555	87,555
1880 to 1890	91,067,526	3,238,250	1,072,033

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 37.9. The percentage in 1904 was 28.7

Fire Insurance Business in Alaska in 1904.

(Reported by the Companies to The Weekly Underwriter.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$55,249	$2,020	$379
Ætna, Hartford	67,614	1,700	636
Agricultural, Watertown	44,700	1,222	.....
American, Boston	5,750	159	.....
American, Newark	33,725	798	.....
American Central, St. Louis	40,875	880	.....
American Fire, Philadelphia	335,933	3,248	898
Assurance Co. of America, N. Y.	52,225	696	.....
Atlas, London	45,125	1,624	.....
British America, Toronto	49,484	1,405	.....
Caledonian, Edinburgh	1,250	12	.....
Caledonian-American, New York	3,800	128	.....
Citizens, St. Louis	43,190	1,065	.....
Connecticut Fire, Hartford	49,203	1,792	1,000
Delaware, Philadelphia	3,500	186	.....
Dutchess, Poughkeepsie	35,000	848	.....
Fire Association, Philadelphia	3,000	10	.....
Fireman's Fund, San Francisco	172,223	3,847	.....
German-American, New York	198,600	5,124	.....
Girard Fire and Marine, Philadelphia	21,100	521	.....
Globe and Rutgers, New York	27,500	479	.....
Hartford Fire, Hartford	561,753	11,103	.....
Home F. and M., San Francisco	42,320	1,557	.....
Indianapolis Fire, Indianapolis	11,333	474	.....
Insurance Co. of North America	27,500	1,331	.....
James River, Richmond, Va.	.....	33	.....
Law Union and Crown, London	86,917	2,657	.....
Liverpool and London and Globe	149,250	1,487	.....
London Assurance Corporation	57,732	2,102	1,001
Mercantile Fire and Marine, Boston	21,200	579	.....
Michigan Fire and Marine, Detroit	10,719	304	.....
National Fire, Hartford	107,107	2,942	1
New Brunswick, New Brunswick, N. J.	3,500	75	.....
New York Fire, New York	10,000	116	63
New Zealand F. and M., San Francisco	51,800	1,543	.....
Niagara Fire, New York	32,725	1,216	992
North British and Mercantile, London	6,250	181	.....
Norwich Union, Norwich	60,450	2,089	.....
Pelican, New York	26,666	927	.....
Pennsylvania Fire, Philadelphia	66,000	2,048	.....
Phenix, Brooklyn	148,718	5,061	1,000
Phœnix, Hartford	101,625	2,717	.....
Phœnix, London	152,434	5,580	.....
Queen, New York	73,023	1,862	57
Royal, Liverpool	169,050	4,544	137
Royal Exchange, London	78,496	2,196	45
St. Paul Fire and Marine, St. Paul	33,225	867	.....
Scottish Union and Nat'l, Edinburgh	69,100	2,464	1,000
Springfield F. and M., Springfield	44,600	1,829	1,000
Svea, Gothenburg	108,767	3,637	.....
Teutonia, New Orleans	30,450	825	.....
Traders, Chicago	78,037	2,373	.....
Transatlantic, Hamburg	91,700	2,965	2,000
Union, London	53,782	2,480	.....
Victoria Fire, New York	7,000	273	.....
Westchester, New York	3,986	233	1,250
Western, Toronto	32,551	668	.....
Williamsburgh City Fire, New York	28,166	480	1,550
Totals, 1904	$3,916,978	$101,582	$13,009
COMPARISONS WITH BUSINESS OF PREVIOUS YEARS.			
1903	$3,321,697	$89 906	$65,702
1902	6,540,006	153,685	15,732
1901	6,945,544	138,948	11,074
1900	4,068,065	94,140	2,769
1899	3,642,554	80,693	1,878
1898	2,403,174	63,631	2,496
1897	2,006,355	42,874	5,438
1896	1,846,507	35,741	208
1895	1,496,297	31,657	1,912
1894	1,020,905	21,623	5,584
1893	879,574	22,472	1,125
1892	1,424,179	24,329	10,946
1891	678,458	22,580	191
1890	917,992	26,212	3,198
1880 to 1889	2,248,677	70,538	38,241

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 17.0. The percentage in 1904 was 12.8.

Fire Insurance Business in Arkansas in 1904.

(Reported by the Companies to The Weekly Underwriter.)

COMPANIES.	Risks Written.	Premiums Received.	Losses. Paid
Ætna, Hartford	$1,723,349	$31,878	$15,087
Agricultural, Watertown	1,532,100	28,232	21,850
American Central, St. Louis	1,433,191	29,010	15,769
Assurance Co. of New York	751,570	16,197	8,769
Atlanta-Birmingham, Birmingham	663,370	15,431	6,047
Atlas, London	881 115	15 912	1,101
Austin Fire, Texas	359,388	5,098	5,295
British America, Toronto	566,163	11,641	2,450
Caledonian, Edinburgh	$717,673	$16,111	$5,830
Citizens, St. Louis	1,499,473	31,331	15,383
Commercial Union, London	4,237,766	92,771	46,756
Commercial Union, New York	334,711	7,496	1,096
Concordia, Milwaukee	509,052	10.863	148
Connecticut Fire, Hartford	2,286,200	30,441	11,626
Continental, New York	1,499,793	26,625	11,382
Delaware, Philadelphia	418,797	8 574	2,880
Fire Association, Philadelphia	1,777,535	41,820	26,673
Fireman's Fund, San Francisco	1,515,987	28,595	19,270
Federal, New Jersey	612,342	14 540	10,147
German, Freeport	3,169,552	55,675	21,535
German-American, New York	3,304,023	61,233	23,868
German Alliance, New York	178,600	3,410	1,671
Germania Fire, New York	616,055	13,054	6,385
Glens Falls, Glens Falls	1,011,664	15,408	6,465
Globe and Rutgers, New York	815,584	18,057	4,190
Hamburg-Bremen, Hamburg	841,539	19,248	11,268
Hartford Fire, Hartford	6,556,395	121,814	53.440
Hanover Fire, New York	1,243,201	25,025	17,086
Home, New York	5,045,724	71,977	46,771
Indianapolis Fire, Indianapolis	32,507	833	268
Insurance Co. of North America	2,169,741	50,517	23,049
James River, Richmond, Va.	.....	67	.....
Liverpool and London and Globe	992,248	17,754	9,600
London and Lancashire, Liverpool	1,886,669	45,141	22,846
Mechanics and Traders, New Orleans	721,953	11,442	2,917
Metropolitan, Delaware	81.604	1,978	1,028
National Fire, Hartford	1,042,565	19,892	13,704
National Union, Philadelphia	719,925	11,958	1,678
New Brunswick, New Jersey	18,582	352	.....
New Hampshire Fire, Manchester	1,021,232	23,132	11,542
New York Fire, New York	53,652	375	.....
Niagara Fire, New York	1,340,370	27,787	8,417
North British and Mercantile, London	1,722,492	29,516	10,192
Northern, New York	264,722	7,386	922
Norwich Union, Norwich	661,048	13,778	5,409
Orient, Hartford	1,055,553	11,307	8,648
Palatine, London	821,225	21,323	11,229
Pelican, New York	398,698	7,921	4,089
Pennsylvania Fire, Philadelphia	938,000	18,769	10,094
Phenix, Brooklyn	1,796,820	30.410	8,607
Phœnix, Hartford	2,238,113	36,394	26 146
Phœnix, London	2,013,218	53,821	36,099
Prussian National, Stettin	656,990	10,451	5,076
Queen, New York	1,324,324	28,710	19,693
Rochester German, Rochester	559,154	11,510	1,790
Royal, Liverpool	2,110,995	45,183	26,860
Scottish Union and Nat'l, Edinburgh	1,680.054	39,298	16,006
Southern, New Orleans	1,348,917	33,043	17,956
Springfield F. and M., Springfield	1,790.745	29,721	23,428
St. Paul Fire and Marine, St. Paul	2,121,160	26,135	16,768
Sun, London	1,574,084	33,495	12,155
Sun, New Orleans	1,007,747	25,058	15,420
Teutonia, New Orleans	1,729,930	41,189	5,618
Toledo F. and M., Toledo	240,600	7,902	.....
Traders, Chicago	675,155	11,286	5,435
United States Fire, New York	*3 300,000	61,785	18,507
Western, Toronto	1,316,038	17,538	6,247
Westchester Fire, New York	484,740	7.557	20
Williamsburgh City Fire, New York	801,417	16,758	11,208
Totals, 1904	$90,814,899	$1,755,939	$840,909
COMPARISONS WITH BUSINESS OF PREVIOUS YEARS.			
1903	$75 111,174	$1,479,543	$454,388
1902	66,995,756	1,371,541	655,237
1901	75,037,717	1,267,588	640,130
1900	62,693,797	1,109,703	901,073
1899	58,252,947	976,867	596.178
1898	54,715.154	850,549	434,512
1897	39,738,108	760,033	400,741
1896	36,717,031	717,126	395,131
1895	34,073,887	707,365	377 276
1894	32,620,429	715,398	430.989
1893	30.106,805	657,601	398,496
1892	38,750,207	796,402	561,003
1891	36,416,955	743,697	696.089
1880 to 1890	225,057,904	4,718,135	2,978,695

* Estimated.

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 57.7. The percentage in 1904 was 47.8.

Fire Insurance Business in Arizona in 1904.

(Reported by the Companies to The Weekly Underwriter.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$473,058	$15,116	$2,251
Agricultural, Watertown	98.300	2,397	1.011
Alliance, London	193,786	4,555	77
American, Boston	31,500	680	.....
American Central, St. Louis	1,000	11	.....
American, Newark	1,000	10	.....
American Fire, Philadelphia	382,700	6,608	3,222
Assurance Co. of America, New York	8,250	313	16

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Atlas, London	$409,180	$9,803	$4,513
British America, Toronto	71,425	1,633	320
Caledonian, Edinburgh	133,183	3,057	3,147
Caledonian-American, New York	500	11	.....
Citizens, St. Louis	225,204	9,888	1,488
Commercial Union, London	477,311	10,886	1,331
Connecticut Fire, Hartford	362,169	9,513	1,402
Delaware, Philadelphia	40,900	1,080	.....
Dutchess, Poughkeepsie	22,400	469	.....
Fire Association, Philadelphia	166,175	3,506	2,732
Fireman's Fund, San Francisco	1,828,471	46,349	29,128
German Alliance, New York	88,140	2,017	155
German-American, New York	396,671	7,331	6,694
Germania Fire, New York	64,850	2,614	.....
Girard Fire and Marine, Philadelphia	16,000	334	.....
Globe and Rutgers, New York	18,000	586	.....
Hamburg-Bremen, Hamburg	359,608	10,258	1,566
Hartford Fire, Hartford	834,790	24,173	5,540
Home, New York	1,373,946	24,337	25,195
Home Fire and Marine, San Francisco	481,820	14,575	13,127
Indianapolis Fire, Indianapolis	5,000	114	.....
Insurance Co. of North America	343,254	8,730	3,399
Kings County, New York	2,000	44	11
Liverpool and London and Globe	1,302,648	29,101	14,646
London and Lancashire, Liverpool	300,871	6,339	3,538
London Assurance Corporation	254,590	6,468	45
Michigan Fire and Marine, Detroit	94,266	2,573	1,818
National Fire, Hartford	688,332	21,407	6,085
New Zealand F. and M., Auckland	299 922	8,471	2,952
Niagara Fire, New York	205,349	5,327	721
North British and Mercantile, London	308,114	5,623	4,123
N'th Brit'h and Mercantile, New York	310,020	5,682	4,123
New York Fire, New York	5,500	130	.....
New Brunswick, New Brunswick, N. J.	4,000	137	.....
Norwich Union, Norwich	234,070	6,236	3,129
Orient, Hartford	141,675	3,235	1,530
Palatine, London	505,444	14,445	5,771
Pelican, New York	17,916	488	29
Pennsylvania Fire, Philadelphia	198.000	5,134	2,789
Phenix, Brooklyn	350,835	9,786	1,760
Phœnix, Hartford	196,597	4,931	1,018
Phœnix, London	171,119	5.029	1,528
Queen, New York	272,794	7,000	2,661
Royal, Liverpool	487,535	12,696	2,835
Royal Exchange, London	26,202	434	31
St. Paul Fire and Marine, St. Paul	1,000	10	.....
Scottish Union and Nat'l, Edinburgh	273,503	7,212	1,577
Springfield F. and M., Springfield	625,482	16,453	7,025
Sun, London	500,482	14,535	26,500
Svea Fire and Life, Gothenburg	260,837	7,707	2,384
Teutonia, New Orleans	16,000	489	1,490
Toledo Fire and Marine, Toledo	6,000	150	.....
Traders, Chicago	133,505	3,397	562
Transatlantic Fire, Hamburg	63,350	1,721	10
Union, London	251,983	5,088	1,990
Victoria, New York	9,500	207	.....
Western, Toronto	264,534	8,734	6,439
Williamsburgh City Fire, New York	2,083	62	1,250
Totals, 1904	$17,897,482	$447,287	$219,457
COMPARISONS WITH BUSINESS OF PREVIOUS YEARS.			
1903	$16,262,417	$422,401	$160,617
1902	14,400,588	351,877	155,667
1901	12,254 268	330,531	164 924
1900	11,328,513	272,150	587,177
1899	10,468,991	232,932	168,726
1898	7,186,839	173,168	254,390
1897	6,021,110	144,106	54,942
1896	4,907,448	120,360	63,275
1895	5,267,963	119,210	31,100
1894	4 229,188	103,415	84,341
1893	4,169,997	104,880	58,624
1892	4,774,400	106,213	57,620
1891	2,494.958	61,825	11,596
1880 to 1890	23,858.958	581,857	475,179

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 71.4. The percentage in 1904 was 49.1.

(Continued from page 430.)

that time apart from the information the agent furnishes. He can suppress, distort, color or unduly emphasize this or that aspect of the case without much danger of detection at the time or, in many cases, ever. Even without the deliberate intent to deceive involved in such actions, he need be only indifferent, superficial or inordinately hungry for commissions to accomplish as much harm by failing to probe to the bottom of risks offered and by transmitting merely those favorable items of information which are invariably apparent, and taking no steps to uncover the demerits which are usually kept out of sight.

An instance in point: Not long ago a risk of ours was declined for renewal on account of certain conditions which had produced an abnormally large loss ratio, and which the assured would not or could not correct. The broker placed it with another company, refraining from giving information as to our rejection of it. The agent of the other company knew we had had it, but made no inquiry of us as to its merits. A little later our agent met him and said, "You have written the Smith risk?" "Yes." "Did you know we had refused it?" "I guessed as much." "Didn't you know our experience with it was bad?" "I heard so." "Don't your company expect you to post it on such matters?" "I don't know. Anyway, they don't pay me a salary as an underwriter; they pay me commissions to get business. Let them find out for themselves." This conversation is quoted, practically, verbatim. And, by the way, the agent who exhibited such lack of appreciation of his duty to his principals was one of the winners in a contest for prizes based on volume. Possibly the company's greed for volume may palliate its agent's greed for commissions, but nothing can excuse the total absence of care for his principal's protection, which he expressed with such brutal frankness.

This little story suggests another regard in which the company must trust the agent, namely, in his relations with brokers and with the assured. These two classes are coupled together here because they are identical as to this question, the broker being always the assured's representative, and quite properly so. Now, the assured (or his broker) is the buyer and the company (or its agent) is the seller. To that extent their interests are divergent. As in all barter or sale, the seller is more desirous to deal, as a rule, than the buyer. Hence the buyer is in a somewhat stronger position than the seller, and by the customary and familiar devices endeavors with more or less success to get the best end of the trade. The agent, in these negotiations, as well as in the adjustment of claims or any other transactions with the assured or broker, is necessarily intrusted with the implicit confidence of the company as to his integrity, judgment and tact. He must yield no more than is absolutely right; hence must have clear judgment. He must yield, or persist, gracefully, in order to retain his touch with the patron; hence must have tact. And above all things, he must preserve, in unimpaired integrity, his conception of the fact that the company's interests are committed to him; that it trusts him and depends upon no one else at that particular time and place; that if he fails it, it is betrayed; that he is not in that moment the assured's agent nor the broker's friend, but the company's trustee.—*The Budget, Maryland Casualty Company.*

PERSONAL SURETY WEAKENS CREDIT.

We learn from our general agent at Columbus, Ohio, the Frank Tallmadge Company, that a merchant of that city recently asked to be relieved as surety on a bond because he found that the obligation thus resting upon him had tended to weaken his credit.

This is important news because it shows that business men are awakening to a realization of the fact that in signing surety bonds they assume obligations just as binding as if they mortgaged their property for a like sum.

In becoming surety business men too often regard the bond as a matter of form. They do not entertain even the most remote idea that they will ever be called upon to pay a loss which might embarrass them financially or possibly reduce them to bankruptcy.

Before extending credit the merchant invariably wants to know if the prospective debtor has any unsatisfied obligations, such as mortgages or judgments. Should he not be equally as insistent in being informed as to whether or not the credit seeker has assumed obligations as a bondsman?

If a business man seeking credit was refused it because he had become surety on a bond written possibly in a penalty equal to if not in excess of his total assets, he would soon realize that he had assumed a real obligation, and doubtless one of which he would endeavor to relieve himself as soon as possible.

This should prove a strong argument in attacking the individual bonding system, which, despite its unsavory record, still exists in a more or less degree throughout the country. Hundreds of business men have been swept from affluence into the direst poverty because of the dishonesty of friends whose bonds they have signed.

Point out to the business man who is asked to become surety that it is more to his interest to pay the premium charged by a surety company for the bond and present it to his friend than to assume an obligation which may impair his credit or at some future time reduce him to want. A sentiment in favor of corporate surety can thus be created which will ultimately drive the individual bonding system into oblivion.—*The Bulletin, U. S. Fidelity and Guaranty Company.*

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Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

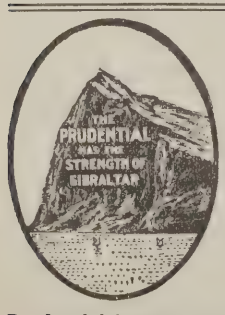
The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905	$5,546,127.97
Cash Capital	200,000.00
Liabilities, including reinsurance	3,617,361.34
NET SURPLUS	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas
WM. TREMBOR, Sec. F. M. GUND, Sec.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men
The Grand Prize was awarded the Prudential at the St. Louis Exposition.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary.

Up-to-date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at age Eighty automatically.

$27,807,910 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1904.

Assets, held in the U. S. for the special protection of its American Policy-holders. $8,520,383.40

Liabilities, ... 5,204,870.83

Net Surplus, January 1st, 1904, $3,315,512.57

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

"SAFE AS A NATIONAL BANK NOTE."

The Inter-State Life

ASSURANCE COMPANY,

INDIANAPOLIS, IND.

CHARLES A. SUDLOW, President. F. P. DAVENPORT, Secretary

EASTERN DEPARTMENT: 621 Walnut Street, PHILADELPHIA.
H. E. ROBERTS, Second Vice-President.

Liverpool & London & Globe Ins. Co.,

ESTABLISHED, 1836. ENTERED THE UNITED STATES, 1848.

NEW YORK OFFICE:
WILLIAM & PINE STREETS.

NEW ENGLAND, NEW YORK, PENNSYLVANIA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH AND SOUTH CAROLINA.

H. W. EATON, Resident Manager.
GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Superintendent.

CHICAGO OFFICE:
203—205 LA SALLE STREET

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, COLORADO, DAKOTA, KANSAS, NEBRASKA, MONTANA, UTAH, WYOMING AND NEW MEXICO, INDIAN AND OKLAHOMA TERRITORIES.

W. S. WARREN, Resident Secretary.
GEO. H. MOORE, J. V. THOMAS, } Assistant Secretaries.

NEW ORLEANS OFFICE:
Corner CARONDELET AND GRAVIER STREETS.

LOUISIANA, MISSISSIPPI, ALABAMA, GEORGIA, FLORIDA, TEXAS.

CLARENCE F. LOW, Resident Secretary.
J. G. PEPPER, Assistant Secretary.

SAN FRANCISCO OFFICE:
422 CALIFORNIA STREET.

CALIFORNIA, NEVADA, OREGON, WASHINGTON, IDAHO, ARIZONA

CHARLES D. HAVEN, Resident Manager.
C. MASON KINNE, Assistant Secretary.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.
6,561 per day in number of Policies issued.
$1,426,700.50 per day in New Insurance Written.
$114,060.67 per day in Payments to Policyholders and addition to Reserve.
$73,326.81 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$64,270,818.12
Bonds and Mortgages,	33,094,145.00
Real Estate,	16,806,932.86
Cash,	7,323,372.74
Loans to Policyholders,	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.

Reinsurance Fund and Special Reserves,	$112,351,323.00
All other Liabilities,	907,772.25
Capital and Surplus,	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security, ... $277,290,466.48

Number of Policies in Force, . . . 8,029,906

Amount of Outstanding Insurance, . . $1,470,424,281.00

Amount of Insurance Issued in 1904, . . $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

	Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.	
1884—	$2,915,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00—	1884
1894—	18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00—	1894
1904—	55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00—	1904

In its Ordinary Department policies are issued for from $1.00 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Di.
AUGUSTUS S. KNIGHT, M. D., Med. Di.
W. S. MANNERS, M. D., Asst. Med. Di.
E. M. HOLDEN, M. D., Asst. Med. Di.
I. J. CAHEN, Manager Ordinary Dept.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353, 488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President — EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. — BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. — T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

The Agricultural Insurance Company of Watertown, N.Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

THE METROPOLITAN PLATE GLASS AND CASUALTY INSURANCE COMPANY OF NEW YORK.

Home Office: 47 Cedar St.

Chartered 1874. The Oldest New York Company in Its Line.
Assets, January 1, 1904, $591,813.08.
Surplus to Policyholders, 389,895.29.

Plate Glass and Personal Accident Policies
OF THE MOST APPROVED FORMS.

EUGENE H. WINSLOW, President, DANIEL D. WHITNEY, Vice-Pres't
S. WM. BURTON, Secretary. ALONZO G. BROOKS, Ass't Sec'y.

RELIABLE AND ENERGETIC AGENTS WANTED.

The Mutual Benefit
LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905,	$93,237,790.27
LIABILITIES,	85,918,227.30
SURPLUS,	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, MAY 6, 1905. No. 18.

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THERE is a writer on the editorial page of the *New York Times* who airs an old fad, whenever he writes upon fire insurance conditions in the city of New York, that is becoming rather wearisome. Possibly he may succeed in impressing some of his readers with the belief that he knows the business of fire underwriting better than those persons who have made it their special study and practice for years, but none the less it is a fact that he is ignorant of many of its essential principles. For example, it is a fundamental principle of fire insurance that all classes of risks shall be written at a rate which experience has taught shall be adequate. The rate may be so high that it is practically prohibitory, but it must be adequate. The curious theory which the *Times* man puts forth so persistently is that fire insurance companies should write only the best risks and leave the hazardous and extra hazardous uncovered. His complaint is that our insurers take substantially any old thing that is offered, and make the good risks pay in increased premiums for this recklessness. The letter to the business manager of the *Times* by President Henry Evans, of the Continental insurance company, which is printed on another page, punctures this bubble with scant ceremony. "We must, within reason," says Mr. Evans, "give the public the indemnity we are created to furnish. Our rates are based on conditions, and our charges are predicated upon our experience tables. We charge for the hazard as we find it, and our charge, being built up of many individual charges, shows the property owner how he can improve his risk and get a lower rate." Of course, the claim that the property owner who seeks to render his risk as near fireproof as possible is "penalized" to make good the losses of those "who are indifferent whether their buildings burn or not" is preposterous. The system of rating in vogue provides a means for the provident property owner to keep his rate down and within reason despite the laches of his neighbor.

THE report that a member of the lower house of the Legislature of Michigan has introduced in that body a facsimile of the Arkansas anti-trust law, with its extra-territorial provision, will excite a mild interest, for it is not at all probable that a parallel of the Southwestern Legislature and its remarkable Governor will be found in Michigan. That State already has an anti-compact law, applicable only, however, to non-domestic companies, and the exemption of the local companies of the State enables the business to secure proper rates through an inspection bureau. The attempt to imitate the Arkansas imbecility is doubtless due to a craving for notoriety. Another bill is pending to deprive the local companies of their inspection bureau. It is late in the session to expect further successful insurance legislation of this kind, and this remark may also apply, we hope, to the situation in Illinois. We print elsewhere the answer of the Hartford Fire insurance company in the case in which it has been sued for a violation of the Arkansas anti-trust law. The suit is, as is well known, brought by the attorney general against the company for refusing, while continuing the transaction of business in the State, to make affidavit that it is not a member of a rate making organization beyond the borders of Arkansas. The answer, filed in the circuit or lower court, from which an appeal to the Supreme Court will be taken, is that the extra-territorial provision of the anti-trust law is repugnant to Section 10 of the first article of the Constitution of the United States, which provides that no State shall pass any law impairing the obligation of contracts, and to Section 1 of Article 1 of the amendments to the Constitution, which provides that "no State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty or property, without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws." This is quite sufficient, and gives the Supreme Court a workable means for overthrowing the law.

WE print the able address of Mr. Ralph W. Breckenridge, chairman of the insurance committee of the American Bar Association, at Yale University this week, in which he advocates the adoption of national supervision of insurance. Mr. Breckenridge is an optimist and finds an easy solution of the difficulties which are supposed by some to impede the approach to a Federal insurance bureau. To the objection that has been raised at the very threshold of the discussion of this subject, that Congress will never pass a national supervision law, because the people of the several States will not permit their representatives to vote for it, Mr. Breckenridge's reply is that he has sounded a large number of insurance purchasers throughout the Union, and that almost with unanimity they express themselves as favorable to national supervision. We are afraid that the opposition will not be satisfied with this easy disposition of the question of popular preference. The claim can be fairly made, we think, that in the absence of any general discussion among the people of any State of the proposition that they shall deprive themselves of the right they now possess to make conditions governing the transaction of business within their State borders by foreign insurance corporations with the attendant power of taxing them, it cannot be said that a real test of public opinion has been obtained. To give up the privilege of taxing outside insurance corporations which yield a revenue so large and important is equivalent to transferring the

burden to themselves, and there is no human motive more robust than the willingness to shift a tax from one's self to the other fellow. The taxes paid by fire insurance companies in the several States in 1903 were, according to the report of the president of the National Board of Fire Underwriters, in his annual address in 1904, $5,474,156. The taxes paid by life insurance companies in 1903 were $8,967,225. Surety, casualty and other miscellaneous insurance companies must have paid at least $2,000,000 more. Here is the vast revenue of $16,400,000, which the States annually derive from the insurance companies, and which, if national supersedes State supervision, they will lose, less the amount they receive in taxes from their local companies. When the proposition is set before the people is it at all likely that they will instruct their Senators and Representatives in Congress to vote away their precious privilege of making the companies contribute to the cost of running the State's business? That the consumer ultimately pays the tax is an eternal truth, but it is too complex to be comprehended by the average citizen. It is this obstacle at the opening of the pathway to national supervision which raises the question, in our opinion, whether all discussion of a Federal law establishing supervision by the nation and taking it away from the States is not useless.

Facts and Opinions.

The *Argus,* of Paris, recalls the terrible catastrophe in Martinique, when the **eruption of Mount Pelee** destroyed the city of Saint-Pierre, with its 30,000 inhabitants, in a few moments, by citing a recent decision of the French courts with regard to the insurances on some of the destroyed property. There were a number of Europeans in the island, who held property insured in various companies, including the Lancashire, which was recently reinsured by the Royal. On July 22, 1903, the Tribunal of Commerce of the Seine was notified of a suit brought by Dupuis & Co. against the Royal for the payment of 245,000 francs alleged to be due as insurance on property destroyed by the catastrophe. The Royal resisted the claim on the ground that the merchandise was destroyed by the mechanical effect of the eruption before the flames reached it. The court admitted this contention of the company, but added that the company must prove this point of the destruction of the goods prior to the fire. The court, admitting the impossibility of proving that point, named an arbitrator to ascertain the fire damage caused by the cataclysm. The Second Chamber of the civil court of the Seine not long ago in a similar case admitted the principle laid down by the Tribunal of Commerce, but rendered a contrary decision, as the insurance company was able to prove that the merchandise had been destroyed before the fire. M. Pecoul sued the Lancashire for 66,500 francs. The magistrate reviewing the results of the mission sent by the Government to Martinique, under the direction of MM. Lacroix, professor of the Museum; Rollet de l'Isle, marine engineer, and Giraud, doctor of science, recognized the fact that the eruption of Mount Pelee engendered a double action, mechanical and volcanic, and that the portion of the island where M. Pecoul's property was located, a slightly undulating country, was leveled off as if a plane had been run over it. The destruction was therefore not caused by the fire, according to the court, but by the violence of the explosion, which overturned and pulverized everything in its path. The fire which followed therefore only burned up what was absolutely worthless. The suit of M. Pecoul was therefore denied.

A new turn was given to the affairs of the **Citizens Bank,** of Lorain, Ohio, which makes the result look dark for the depositors. Ever since the **failure** of the bank encouraging reports have been given out to the public for the purpose of pacifying people, and it is said with the intention of averting popular clamor against the three wreckers. Now that the men are safely behind the bars of the penitentiary the real facts are beginning to be known. Several of the stockholders have combined to fight against being forced to pay the loss under the double liability statute, and have retained Henderson, Quail & Siddall, attorneys of Cleveland, to see what can be done for them. Mr. Siddall said that it was his opinion, as well as that of Mr. Henderson, that the act of the last Legislature, abolishing double liability of stockholders, would apply to the present case, so as to relieve the stockholders from all further cost beyond the loss of their stock. He refused to disclose the identity of his clients. On top of this announcement is made, semi-officially, that the bonding companies have in view two moves. They propose to look into the statement that the directors practically looted the bank on the last day of business. The bonding companies claim that the bank was kept open a whole day after its condition became known; that deposits were received and money paid out to favored ones. The American Bonding Company of Baltimore is preparing to defend on the $20,000 fidelity bond it has on Cashier Kaneen, and the United States Fidelity and Guarantee Company of Baltimore will probably make a like defense on the $10,000 bond it has on Assistant Cashier Walker. The Federal Union Surety Company and the United States Fidelity and Guarantee Company have depository bonds on behalf of the bank in favor of A. H. Babcock, Jr., city treasurer, in the sum of $15,000 and $10,000 respectively, and it now seems certain that there will be a total loss on both these bonds.

It is reported in insurance circles that at the annual meeting of the **Life Association of America** of New York, soon to occur, another effort will be made by some of the stockholders to oust President Henry P. Townsley and Counsel Eugene Van Schaick, who is also a director of the company, On March 9, 1904, the directors of the company voted a special award of $50,000 to these two officers for their services in organizing the company and underwriting its stock. This award was brought to the attention of the Insurance Department by certain stockholders. Later the money was returned to the treasury of the company, for although the award was not definitely determined to be illegal, the officers returned it rather than have a fight with the dissatisfied stockholders. The New Jersey State Department of Banking and Insurance on Thursday refused to renew the license of the Life Association of America to do business in that State. It is stated that this was done on account of there having been found in the assets of the trust company a note for $10,000 of Henry P. Townsley and Eugene Van Schaick, dated April 23, 1904, payable on demand, with 6 per cent. interest, and reciting that there were pledged as collateral security 500 shares of the Life Association of America, par value $20 each. In addition, the trust company held, it is said, a check for the amount of the loan, drawn by the Life Association against its balance of like amount on deposit in the "Savings Department" of the trust company, signed by John W. Vincent, treasurer, and countersigned by Townsley. In his report to Commissioner Watkins Examiner Hyatt says:

The indications all point to the fact that Townsley and Van Schaick personally obtained the loan in consideration of the placing of funds of their company on deposit with the trust company to an amount equal to 150 per cent. of their loan, and then using the company's balance to guarantee the payment of their personal loan. There is nothing to show that Towns-

ley and Van Schaick were authorized by the Life Association to pledge its funds for credit to secure their personal obligations.

The company has appealed from this refusal of license. At the annual meeting on Wednesday of the stockholders Henry P. Townsley was re-elected president, John W. Vincent vice president and treasurer and Eugene Van Schaick general counsel. There was no opposition to this ticket.

The administrator of the estate of the late Harry S. Homans is **suing the New York Life** insurance company for more than $500,000, alleged to be due the estate on renewal commissions under a contract made with Harry S. Homans in 1874. In substance the defense of the company is that there is an offset of more than $830,000 due the company from Homans when he died in Paris in 1889. The case was up before Justice O'Gorman in the Supreme Court Wednesday morning on a motion for a bill of particulars demanded by Cary & Robinson, of counsel for William P. Homans, administrator. Harry S. Homans in 1874 was appointed general director of all the New York Life insurance company's European agencies, and in 1880 he made a contract with the company under which he was to receive certain commissions and a certain stipulated amount for renewal commissions. He died intestate nine years later, and the $500,000 and more is alleged to be due on renewal commissions. The question at issue, according to counsel for the estate, is on the responsibility of Homans for expenses of conducting the company's business in Europe. Under the terms of the contract he states the company was to bear these expenses up to a certain fixed amount. A French court gave Mrs. Homans her share in the estate, but held that she had no interest in the renewal commissions, and it is on the renewal commissions that the present claim against the company is based.

The companies represented in the **Boston Board of Fire Underwriters** are not displaying particular alacrity in answering a letter recently sent them by Secretary Howes. The object of this missive was to obtain at the early convenience of the addressed a list of all the agents they have in the metropolitan district of Boston who are not by their direct orders expressly prohibited from writing risks in the city of Boston. The rules of the board require that all such agents shall sign a pledge agreeing to limit themselves to 20 per cent. commission, and it is now desired to ascertain just what agents are amenable to the pledge. Many of the agents are located at points in the metropolitan district that have local appellations, and some of the companies have expressed an inability to place them; other companies have answered Mr. Howes briefly that all their agents in the category described were observing the pledge. Unless an agreement is reached on this point, the brokerage committee may have to take up the matter at next Tuesday's meeting of the board, and failing an arrangement, the possibility of a go-as-you-please era in commissions in the metropolitan district may have to be confronted.

The controversy between the **Connecticut Fire and the Western Union,** which dropped the company from membership last week for refusing to cancel a reinsurance contract with a non-Union company in Nebraska, has been kept warm by a sharp letter from Manager McDonald, of the Connecticut Fire to President Cofran, of the Union. The manager defends the action of the company, charges bad faith upon the Union and winds up with these remarks:

It is my pleasure to inform you that at least one company, which probably is the most valuable agency company doing business in the West, has come to the support of the "Connecticut," and will refuse to participate in the proposed slaughter of the company's business, and will in no manner intimidate agents or reduce the commissions where both companies are interested in the same agency.

It is surmised by the *Journal of Commerce* that the company so mysteriously alluded to by Mr. McDonald is the National Fire of Hartford. That paper says: "It is true that the National will take no active part in forcing the Connecticut out of agencies, but it will live up to the Union rules regulating graded commissions."

One of the daily papers recently contained a despatch from Guthrie, announcing that the following surety companies had had their **licenses revoked by** the Attorney General of **Oklahoma:** American Bonding Company, Ætna Indemnity Company, United States Fidelity and Guaranty and Fidelity and Deposit, all of Baltimore; National Surety Company of New York city and the Bankers' Surety Company of New York. As a matter of fact the companies named declined to comply with the law recently enacted requiring surety companies to deposit $50,000 as a special guarantee for the protection of policyholders in Oklahoma. By the enactment of laws requiring these special deposits the various States and Territories are restricting the competition in the surety business to a minimum, which means that the remaining companies which do comply with the law are almost certain to come together to raise rates.

The fifteenth **annual meeting of the Factory Insurance Association** was held in New York, Wednesday, April 25. President Sheldon presided. Reports were presented by Treasurer Mitchell and Manager Phillips, both of Hartford. The following officers were elected: President, George P. Sheldon, president Phenix of Brooklyn; vice president, H. W. Eaton, manager Liverpool and London and Globe; secretary, J. H. Brewster, manager Scottish Union and National; treasurer, J. H. Mitchell, vice president Phoenix of Hartford. Executive Committee—E. G. Snow, president Home; C. G. Smith, secretary German American; George W. Babb, manager Northern; A. G. McIlwaine, Jr., manager London and Lancashire; B. R. Stillman, secretary National, and C. E. Chase, vice president Hartford Fire.

An aggregate of $250,000 of insurance is involved in the plant of the **Household Sewing Machine Company, of Providence, R. I.,** which took fire at 1:34 last Monday morning, and was damaged to an extent which it is estimated will cause an insurance loss of about 50 per cent. This fire again goes to show of how little use a partial sprinkler equipment is likely to be. The fire broke out in the basement, which was the part of the plant not so equipped. The fire walls failed to hold the fire, which spread to several sections of the plant, in spite of the efforts of the whole Providence fire department. The origin of the fire is unknown, and it is also not known whether the fire doors through which the flames swept were left open or whether they succumbed to the heat.

One of the oldest yet most up to date insurance offices in Jersey City is that of **Nelson & Ward.** On April 1 this firm removed from its old quarters on Montgomery street to the ground floor of the Provident Institution for Savings building on Washington street, where it occupies space nearly four times the size of its former offices. Mr. Ward tells some interesting tales of old customers of the firm. Recently a lady and her daughter entered the office, and the mother, an old patron of the firm, introduced the daughter, who had been recently married, as "the fourth generation of that family who had placed insurance through

Nelson & Ward." The agency now represents nine fire companies and two plate glass companies.

A Thursday dispatch from Clinton, Ia., mentions the **arrest of sixteen special agents** of companies operating in that State on charges of conspiracy brought under the section of the Iowa code prohibiting combinations to regulate the prices of various commodities, including insurance. The Des Moines grand jury is conducting an investigation of the "fire insurance trust," and last week summoned Secretary George B. Newman, of the local board, to appear in court and show his books. This he refused to do, and the attempt to force him by legal process was abandoned for the time, on account of pressure of other cases.

At the recent annual meeting of the **Fire Insurance Society of Philadelphia** it was decided to invite the life underwriters of that city to become members of the society, with the object of bringing about a closer bond between underwriters of all kinds in that city. The society elected the following officers: President, J. Somers Smith; vice presidents, John H. Kenney and Thomas Nelson; secretary, Harry P. Burke; treasurer, Simon Katz; executive committee, Joseph Doyle, Houston Dunn, W. Bennett Gough, James A. McGann, John H. Packard, Jr., Albert A. Pancoast and James F. Stone.

The annual meeting of the stockholders of the **Connecticut General Life insurance company** was held May 2, and the old board of directors was re-elected, Richard M. Bissell, vice president of the Hartford Fire insurance company, taking the place of John B. Talcott, deceased, and Francis Parsons, secretary of the Security Company, taking the place of the late Henry E. Taintor. At a subsequent meeting of the directors Charles E. Bulkley was elected secretary of the company in place of James A. Turnbull, who resigned to take the agency management for the company in Central New York.

The report submitted to the shareholders of the **Commercial Union of London,** on the occasion of the fifty-third general meeting, shows that during 1904, in the fire department, the net premiums amounted to £1,967,712, being an increase of £195,893 as compared with the year 1903, and that the losses paid and outstanding were £1,091,895, or 55.5 per cent. of the premium income. From the profits of this department the sum of £75,000 has been carried to profit and loss; and, after providing for outstanding losses, the fire fund stands at £1,983,005 as against £1,781,576 at the same time last year.

The **Cleveland Inspection Bureau** gave a test of improved sprinkler protection in the Miles avenue barns of the Cleveland Electric Railway Company. Fire protection engineers were present from all over the country, and they agreed that the test was satisfactory and showed that sprinkler protection could be made adequate for the car barn hazard. In each case the fire was confined to the car in which it originated. Sprinklers are installed between the cars, operating through the windows, as well as overhead.

The former manager of the Washington Life insurance company in Oregon, **Blair T. Scott,** was **arrested** in New York city on Saturday last and held in Ludlow Street Jail in default of $5,000 bail. The charge against him is brought by the Washington Life insurance company, and is technically that he owes the company $10,000, which he has not accounted for. He recently brought suit against the company in Oregon for a large amount, which he claimed was due him on renewal premiums.

The president of the Star Fire insurance company of Louisville, Hon. Florian Cox, has been appointed **general agent for Kentucky of the National Surety Company.** This appointment in effect locates the National in the well known office of Barbee & Castleman. Durelle & McHenry, as general counsel for Kentucky, will be associated with Mr. Cox in caring for the interests of the National in that State. W. E. Riley, former general agent of the National, will continue to be identified with the company.

The bill to permit casualty insurance companies to do a **steam boiler insurance business in Massachusetts** has passed the Legislature and is now in the hands of Governor Douglas, whose decision is being awaited with much interest, and in some quarters with considerable anxiety. It may be stated that the sponsors of the bill put up a very convincing brief in its favor, and it would not be at all surprising if in the near future steam boiler insurance became changed into a competitive commodity in Massachusetts.

The *Baltimore Underwriter* has a hot remedy for **settling the Equitable Life troubles.** Hear it:

> Why not cut the gordian knot at once? And the State, under the powers of eminent domain, seize the company, pay the full value of the capital, privileges, and powers out of the surplus, and ending all controversy by removing all cause, turn over the company to the policyholders? Is not the quieting of alarm and anxiety among so large a number of the people a "public purpose" which would justify the exercise of the right of eminent domain, when accompanied with just compensation?

Too late! The New York Legislature has adjourned.

A cable despatch to the *World* from London regarding **British opinion about the Equitable Life** affair says:

> The disclosures about the Equitable Life Assurance Company are believed to have considerably affected its new business on this side, although the press here is singularly reticent on the subject. The journals specially devoted to insurance interests have treated the whole matter in a most cursory manner, and ignored its later developments. Mr. Hyde did not spend much time in London, as the company's publicity interests here were in the capable hands of George T. Wilson, who showed consummate ability and adroitness at the business.

Notice was forwarded April 26 to the **Mutual Reserve Life insurance company,** by the Insurance Department of Nebraska, that the license of the company would not be renewed this year unless it underwent a satisfactory examination by the Nebraska department. The Lincoln *Journal* says:

> The company formerly held a license in Nebraska but when H. A. Babcock became Insurance Deputy a license was refused. State Auditor Weston relicensed the company two years ago, but not with the sanction of Insurance Deputy Pierce (now in charge).

A Southern newspaper, commenting on the rumor that **Gen. Nelson A. Miles** will be called to the presidency of the Equitable Life, says sarcastically:

> Now General Miles is mentioned as a possible president of the Equitable Life. If he accepts the job he might immortalize himself by placing shackles on Messrs. Alexander and Hyde.

The general is about the last person of distinction fitted by temperament and experience to be president of a great life insurance company.

The Macdonnell-Baker-Callender Company, which represented the **Ocean Accident and the Ætna Indemnity** companies in a number of Western States, dissolved April 30 and will be wound up. Beginning May 1 J. E. Callender will represent the Ocean Accident, with headquarters in the Rector Building, Chicago, and Macdonnell & Baker will represent the Aetna Indemnity there. It was thought best to separate

(*Continued on page* 444.)

THE FEDERAL SUPERVISION OF INSURANCE.

Lecture by Ralph W. Breckenridge, Chairman of the Committee of Insurance of the American Bar Association, at Yale University.

The Hon. Ralph W. Breckenridge, of Omaha, Neb., chairman of the Committee on Insurance of the American Bar Association, delivered a lecture at Yale University yesterday, May 5, on "Federal Supervision of Insurance." Mr. Breckenridge introduced his subject with some allusions to the nature of insurance, its growth and magnitude, and then said:

Thus it appears that insurance in one form or another is interwoven with the fabric of our commercial and social life; and while the supervision of any business of a private character would be an impertinence, the people who carry insurance have a right to the protection given through that publicity which can only be had by the inquisitorial investigations of the Government; and a system of State supervision has therefore grown up. The original purpose of supervision was to expose the weakness and fraud of irresponsible companies, but latterly the great accumulation by the companies, of money in sight, has proven too strong a temptation for the States to resist. Accordingly, whenever the need for funds has presented itself, as it almost constantly has, an onslaught has been made by the State Legislatures upon the money held in trust for the people by the insurance companies, until now the States receive from the companies doing business in the United States, under varying forms of exactions, a sum that has never been definitely calculated, but which is estimated at from $20,000,000 to $25,000,000 annually. From tables compiled upon reports furnished by twenty-eight States, it appears that those States received from insurance companies during the fiscal year 1902 over $5,000,000 more than the supervision of those companies cost them; and this sum does not include what they received in taxes.

But this is not all. It is within the experience of nearly all companies, fire and life, that they have served as bankers for dishonest petty officials connected with many State insurance departments, who have boldly levied blackmail. This is a scandal that no self-respecting people can allow to continue.

The practical difficulty is that the laws of nearly all of the States vest in the insurance commissioners a discretion which, when either ignorantly or dishonestly administered, works unfortunately for the companies supervised and greatly increases the cost to the policyholders. "Hence," says Professor Vance in a recent number of *The Green Bag*, "contests waged by the blackmailed insurance companies against the officials of insurance departments are apt to result only in expense and unpopularity. * * It was recently stated in a reputable insurance organ that some of our large companies, although unquestionably solvent, pay as much as $250,000 in annual blackmail to State examiners."

The history of State supervision shows its inadequacy to cope with the evils that brought it forth. "Solvency with publicity is the object of supervision," said Auditor Hart, of Indiana. The National Convention of Insurance Commissioners, to whom he made that declaration (Columbus, 1902), reported a list of eighty-six irresponsible and unauthorized or "wildcat" companies whose fraudulent operations the several State insurance departments could not curb. These concerns reap their harvests among the rural communities of the several States and find a market for worthless insurance because it is cheap. The same convention adopted a resolution favoring Congressional action forbidding the use of the mails to any insurance company not authorized in the State of its domicile, and also memorialized Congress urging such legislation. Similar action was taken at the Baltimore meeting of State Insurance Commissioners in October, 1903. It takes the long, strong arm of Federal law to reach and properly punish such rascality. Federal laws are more rigidly enforced than State laws.

The most pronounced advocates of Federal supervision are those who take a disinterested view of the relations of the public, the companies, and the State toward each other. National supervision of interstate insurance will not eliminate the State insurance departments or take from them the exclusive regulation of intra State business. The leading

STATE INSURANCE COMMISSIONERS EARNESTLY FAVOR FEDERAL SUPERVISION

of interstate insurance. One of its earliest advocates was Elizur Wright, of Massachusetts, who has been called the father of State insurance supervision. Commenting upon the decision in Paul vs. Virginia, he said:

> This loss of nationality is a very serious matter. If there is any possibility of preventing it and securing to life insurance the supervision and protection of national law, wisely conceived and honestly administered, the guardians of life insurance should now bestir themselves.—*Insurance Times*, May, 1870.

Dr. William A. Fricke, a former Insurance Commissioner of Wisconsin, is in favor of a qualified national supervision. He recently said:

> Such national supervision of insurance as will eliminate the undesirable and aggravating impositions of State supervision will be beneficial alike to the company and the policyholder.

Auditor Hart, of Indiana, in taking the chair at the National Convention of the Insurance Commissioners of the United States at Buffalo (September 20, 1901), said:

> There is no business interest that is more vitally necessary to the people or more closely associated with them than is the insurance interest. In my judgment the time must speedily come, in the very nature of things, when it can be done consistently, that the insurance interests of this country shall pass from State to Federal supervision.

Mr. Hart said to the Insurance Commissioners at their Columbus meeting in 1902:

> Personally, I believe the eclectic interests of insured and insurer demand Federal supervision with incidental State authority. This would be the solution of uniformity in laws and practice, and free the companies of a mountain of expense. It would place this largest utility of the republic on a skilled business basis, free from the periodical upheavals of change in politics. An interest aggregating billions, the intimate relation borne to so many thousands of our countrymen, should not have any impediment to the best supervision that can be given. The expense element is too great in all classes of insurance. We are only taxing ourselves when these State excises are imposed.

State Superintendent of Insurance Vorys, of Ohio, who was president of the National Convention of Insurance Commissioners at their thirty-fourth annual convention held at Baltimore on September 29, 1903, said:

> I venture the assertion that Federal supervision is inevitable; that it will be established at no very distant day and under Federal laws of then unquestioned constitutionality.

It is unfair to charge that the demand for Federal supervision comes from the companies. It is untrue. Some of the leading insurance officials favor it, but most of them are too passive in the matter.

The President of the United States advocates Federal supervision in these words quoted from his message of December 6, 1904:

> The business of insurance vitally affects the great mass of the people of the United States and is national and not local in its application. It involves a multitude of transactions among the people of the different States, and between American companies and foreign Governments. I urge that the Congress carefully consider whether the power of the Bureau of Corporations cannot constitutionally be extended to cover interstate transactions in insurance.

National supervision is favored by the general press in the interest of greater corporate publicity; with few exceptions it is advocated by the insurance journals of the country; and so far as it has been possible to get at the views of those most directly concerned, the policyholders, by inquiries of the leading purchasers of insurance throughout the United States, almost unanimously they want it; and at least one State Legislature (Nebraska) during the past winter has endorsed the suggestion of the President.

The fear that the issue of State sovereignty is involved is not well founded, and the suggestion is irrelevant; for if interstate insurance is "commerce among the States," the business is national in character and subject to regulation by Congress under the commerce clause of the Constitution. It is too late to challenge either the power of Congress or the propriety of Federal regulation of any instrumentality of commerce; both of them are settled by the Constitution as construed in repeated decisions of the Supreme Court. Surely the wisdom and political sagacity of Hamilton stand approved, and he said:

> The moment we launch into conjectures about the usurpations of the Federal Government we get into an unfathomable abyss, and fairly put ourselves out of the reach of all reasoning. Imagination may range at pleasure till it gets bewildered amidst the labyrinths of an enchanted castle and knows not on which side to turn to extricate itself from the perplexities into which it has so rashly adventured. Whatever may be the limits or modifications of the powers of the Union it is easy to imagine an endless train of possible dangers; and by indulging an excess of jealousy and timidity we may bring ourselves to a state of absolute scepticism and irresolution. * * All observations founded upon the danger of usurpation

ought to be referred to the composition and structure of the Government, not to the nature or extent of its powers.—*The Federalist*, No. 31.

It is estimated that the expense of Federal supervision would not exceed 10 per cent. of what the States now exact, and as the competition for business is keen, a reduction of expenses will force a reduction of the cost of insurance.

A Federal statute or regulation requiring an accounting of the uses of the vast sums accumulated through the prudence, sacrifice and thrift of millions of policyholders will prevent improvident and improper investments and extravagant management. Competent men can be found willing to serve the national Government who can advise the public whether any given plan of insurance is or is not practicable; and it may be advisable that all forms of policies before being offered for sale should be subjected to the careful and inquisitorial scrutiny of Federal authority.

It has been possible for the companies to gather their immense accumulations because the public has confidence that they will deal honestly and fairly by their policyholders. To destroy that confidence would uproot our social system. National regulation will assure the permanence of confidence between company and policyholder, and give complete protection against all the evils which the most uncompromising foe of existing conditions charges against them, and security to the army of premium payers.

A uniform fire policy expressed in simple terms to supersede the standard form now in common use is practicable only if and when its provisions are prescribed by Federal statute or regulation based upon a clean-cut and definite construction thereof, so that they shall mean the same in one State as in another.

THE CASE OF PAUL VS. VIRGINIA.

The apparent obstacle to Federal supervision of interstate insurance as commerce among the States is found in the noted case of Paul vs. Virginia (8 Wall. 168), decided in 1868, and a series of decisions following it, known as the Insurance Cases. (Liverpool Insurance Co. vs. Mass., 10 Wall. 566 (1870); Hooper vs. California, 155 U. S., 648 (1894); New York Life Insurance Co. vs. Cravens, 178 U. S., 389 (1899); Nutting vs. Massachusetts, 183 U. S., 553 (1901).

In all the cases of that series except New York Life Insurance Co. vs. Cravens the principal issue was whether a corporation of one State may transact its business in another except by compliance with the terms prescribed by law in the latter; and State statutes imposing such terms were sustained as a legitimate exercise of the police power. In the Cravens case, a statute of Missouri providing for the non-forfeiture of life insurance under certain conditions, and which fixed the rights of the parties contrary to the provisions of the particular policy, was sustained, and read into the contract.

In none of these cases was an act of Congress involved, and in none of them was there apparently before the court any accurate and detailed statement of facts with regard to the character and conduct of the business and the uses made of insurance; the decisions are, in this regard, based upon the misconception of the facts as they are recited in Paul vs. Virginia, and upon the theory that insurance involves only the making of a contract between a citizen of one State and a corporation of another.

Is insurance "commerce" within the meaning of that word in the Federal Constitution?

It will be recalled that Washington's project to connect the headwaters of the Potomac and the Ohio rivers inspired the agreement between the States of Maryland, Virginia and Pennsylvania with reference to the proposed enterprise. From this modest beginning the Constitution was evolved. (Fiske: "The Critical Period of American History," p. 251; Kasson: "Evolution of the Constitution," p. 40.)

The regulation of commerce was the motive for the Federal compact (Kasson, 138), and naturally the clause giving to Congress "power to regulate commerce with foreign nations and among the several States and with the Indian tribes" has given rise to much discussion and an inconsistency more apparent than actual, growing out of the views of the different members of the court regarding the rival theories of the concurrent power of Congress and the States, and the exclusive power of the Federal Government.

What, then, is commerce? Who shall decide? Does the answer to the question depend upon mere definitions, or does the constitutional classification of insurance depend on facts that show its intimate and vital connection with commerce and its instrumentalities? In a case decided long after Paul vs. Virginia, Mr. Justice Field said: "What is an article of commerce is determinable by the usages of the commercial world." (Bowman vs. Railway Co., 125 U. S., 465, 501.)

The commerce of 1787 knew only sailing vessels, canal boats and stage coaches. There were no steamboats, no railroads, no electricity; and the telegraph, the telephone and supplied electric power have become utilities of commerce within a generation, and subject to Federal regulation because, in the language of Marshall, "the Constitution was intended to endure for ages to come, and consequently to be adapted to the various crises of human affairs." (McCulloch vs. Maryland, 4 Wheat. 316, 415.)

Chief Justice Waite said the powers granted by the commerce clause of the Constitution are not confined to the instrumentalities of commerce known or in use when the Constitution was adopted: "but they keep pace with the progress of the country and adapt themselves to the new developments of time and circumstances." (Pensacola Telegraph Co. vs. Western Union Telegraph Co., 96 U. S. 1.)

And the power of regulation under the commerce clause has been, and therefore may be, applied "to a method of intercourse which had no existence when the Constitution was framed." (Miller's "Lectures on the Constitution," p. 450.)

"Commerce," says Mr. Justice Johnson in Gibbons vs. Ogden (9 Wheat. 1), "in its simplest signification means an exchange of goods." As society advances, however, labor, transportation, intelligence, care and various mediums of exchange become commodities and enter into commerce." And, to further quote from Mr. Justice Johnson, "the subject, the vehicle, the agent, and their various operations, become the objects of commercial regulation."

Marshall, in his opinion in that case, which was characterized by Mr. Justice Miller as a magazine of constitutional law, said that commerce is more than traffic; "it is intercourse; it describes the commercial intercourse between nations and parts of nations in all its branches."

When Paul vs. Virginia was decided, navigation and the instrumentalities of navigation had been judicially construed to be comprehended within the meaning of the word commerce. At that time the Supreme Court had applied the term commerce to all that species of interstate intercourse which related to the purchase and sale of the commodities of a tangible character, and their transportation. It was not until our commerce had been further expanded and developed by the use of the telegraph that the latter was recognized as an instrumentality of commerce and a subject of Federal regulation; and the term which had been previously stated to be one of the largest import and to comprehend intercourse for the purposes of trade in any and all of its forms, including the transportation, purchase, sale and exchange of commodities (per Mr. Justice Field in Welton vs. Missouri, 91 U. S. 275), was shortly thereafter judicially extended to cover the telegraph. (Chief Justice Waite in Pensacola Telegraph Company vs. Western Union Telegraph Company, supra.) When Paul vs. Virginia was decided, it was assumed that only the intercourse by which the exchange, purchase and sale of tangible commodities such as wheat, cotton and merchandise of all kinds were effected, and the means of their transportation from place to place, were commerce; and hence with that restricted view of the subjects of commerce, Mr. Justice Field said:

> Issuing a policy of insurance is not a transaction of commerce. The policies are simple contracts of indemnity against loss by fire, entered into between the corporations and the assured, for a consideration paid by the latter. These contracts are not articles of commerce in any proper meaning of the word. They are not subjects of trade and barter offered in the market as something having an existence and value independent of the parties to them. They are not commodities to be shipped or forwarded from one State to another, and then put up for sale. They are like other personal contracts between parties which are completed by their signature and the transfer of the consideration. Such contracts are not interstate transactions, though the parties may be domiciled in different States. The policies do not take effect—are not executed contracts until delivered by the agent in Virginia. They are, then, local transactions, and are governed by the local law. They do not constitute a part of the commerce between the States any more than a contract for the purchase and sale of goods in Virginia by a citizen of New York while in Virginia would constitute a portion of such commerce.

But this learned justice himself (in Western Union Telegraph Company vs. Pendleton, 122 U. S. 347), less than eighteen years after the decision in Paul vs. Virginia, discussing intercourse by telegraph, as interstate commerce, said that such intercourse "differs in material particulars from that portion of commerce with foreign countries and between the States which consists in the carriage of persons and the transportation and exchange of commodities." "Other commerce," said he, "deals only with persons or with visible and tangible things. But the telegraph transports nothing visible and tangible; it carries only ideas, wishes, orders and intelligence."

In the earlier case of Telegraph Company v. Texas (105 U. S. 460) the court held that a telegraph company occupies the same relation to commerce as a carrier of messages that a railroad company does as a carrier of goods; and the telegraph

company was held to be an instrumentality of commerce and its business to be commerce itself. Thus the court has expanded the powers granted under the commerce clause to "keep pace with the progress of the country"; it has adapted these powers "to the new development of time and circumstances"; and in the Debs case (158 U. S. 591) Mr. Justice Brewer took the following broad view:

Constitutional provisions do not change, but their operation extends to new matters as the modes of business and the habits of life of the people vary with each succeeding generation. The law of the common carrier is the same today as when transportation on land was by coach and wagon, and on water by canal boat and sailing vessel, yet in its actual operation it touches and regulates transportation by modes then unknown, the railroad train and steamship. Just so is it with the grant to the national Government of power over interstate commerce. The Constitution has not changed. The power is the same. But it operates today upon modes of interstate commerce unknown to the fathers, and it will operate with equal force upon any new modes of such commerce which the future may develop.

Doubtless such considerations led Mr. Bryce to remark:

The American Constitution has necessarily changed as the nation has changed; has changed in the spirit with which men regard it and therefore in its own spirit. (1 "American Commonwealth," 389.)

THE COMMERCE CLAUSE

has itself been adapted to a species of commodity invisible and intangible. It has truly become a term of the largest import, for it now comprehends ideas, wishes, orders and intelligence; and the power of Federal regulation is extended to cover telegrams "which are not subjects of trade and barter offered in the market as something having an existence and value independent of the parties to them"; and which are not commodities "to be shipped or forwarded from one State to another and then put up for sale."

A telephone line from New Haven to New York is an instrumentality of commerce ("Judson on Interstate Commerce," 12, 70); a telephonic conversation between a man in New Haven and another in New York is interstate commerce; the toll charged is a part of the revenues from interstate commerce; but the message has no value independent of the parties to the conversation and cannot be shipped from Connecticut to New York and put up for sale.

In the evolution of commerce, a bridge across the Ohio River between Cincinnati in Ohio and Covington in Kentucky was held to be an instrument of interstate commerce (Covington Bridge Company, 154 U. S., 204), and, said Mr. Justice Brown:

The thousands of people who pass and repass over this bridge may be as truly said to be engaged in commerce as if they were shipping cargoes of merchandise from New York to Liverpool.

The right to go from one State to another is a mere personal privilege, and it was held to be commerce even to travel across that bridge. The Supreme Court in the Lottery Cases (188 U. S. 321) recently held that "commerce among the States embraces navigation, intercourse, communication, traffic, the transit of persons and the transmission of messages by telegraph."

And Congress has declared insurance to be commerce. When the Bureau of Corporations was established by the act creating the Department of Commerce and Labor, that bureau was charged with the "diligent investigation into the organization, conduct and management of the business of any corporation, joint stock company, or corporate combination engaged in commerce with the several States and with foreign nations, excepting common carriers"; and it is made the duty of the bureau to "gather, compile, publish and supply useful information concerning corporations doing business in the United States as shall engage in interstate commerce or in commerce between the United States and any foreign country, including corporations engaged in insurance," etc.

Thus, the term "commodities" which, when Paul vs. Virginia was decided, included only the things that could be seen and handled has been judicially and legislatively declared to include intangible things: thoughts, words, ideas, intelligence, rights, personal privileges, and specifically, insurance. The criticism of Paul vs. Virginia is that in its discussion of the character and methods of insurance its premises are wrong; and whether that part of the opinion we have been considering be dictum or not, it is inapplicable to the undisputed facts as they exist today.

The business of insurance companies is not the mere issuance of policies of insurance; nor is the delivery of a policy necessary to effect insurance. A policy of fire insurance issued by an insurance company of one State to a citizen of another State evidences both the creation and the existence for a definite time of an obligation, under which the insurance company is bound to indemnify the insured against loss or damage by fire of tangible things of value which are subjects of commerce among the States. The obligation also imposes upon the parties to the contract mutual duties and obligations by which one at least is bound to send money periodically to the other, and under which the other is bound under certain contingencies to send money to the one.

Our distinguished ex-minister to England, Mr. Choate, once said: "Commerce embraces all interests and all obligations."

The obligation which the insurance companies take upon themselves is to furnish indemnity, credit, collateral; and an ideal obligation may become quite as essential in the growth and development of society as were mere tangible things, in earlier conditions.

The observation of Mr. Justice Field, in Paul vs. Virginia, that insurance policies "do not constitute a part of the commerce between the States any more than a contract for the purchase and sale of goods in Virginia by a citizen of New York whilst in Virginia would constitute a portion of such commerce," is not in point; for while the mere making of a contract to buy and sell may not be commerce, the buying and selling is. The transaction between the insurance company and its policyholder is not limited to the delivery of the policy and the receipt of the premium, but it is the insurance, the indemnity, the credit, the confidence that is bought and sold.

A single policy, viewed as one contract of indemnity, cannot be deemed commerce, but insurance, viewed as an institution which loosens the deterrent fetters of fear of risk and encourages the promotion of commercial enterprises, which protects the subjects of commerce, while in traffic, while in preparation, transportation and at destination, is now the indispensable "handmaid of commerce" and, therefore, an instrumentality of commerce. (Arthur I. Vorys, president of the National Convention of Insurance Commissioners, Baltimore, September 21, 1903.)

Insurance is as much a part of our modern commerce as navigation or transportation, the telegraph or telephone, and as inseparable from it "as vital motion is from vital existence."

The two Chicago fires of 1871 and 1874 bred conditions which furnish a striking illustration of the absolute dependence of the commerce of a great city upon insurance. The fire of 1874 showed the inadequacy of the water supply and other deficiencies in the provision made to put out fires; and after the demands of the companies for better fire protection had been ignored for several weeks, all of the fire insurance companies represented in Chicago, except one or two, ceased doing business there. Immediately pressure was brought upon the municipal authorities. It was publicly stated that the business of Chicago could not be conducted without fire insurance; the business men of Chicago had no credit without fire insurance, and could obtain none; and on their demand the fire department was reorganized, steps were taken to increase the water supply and such other means adopted as satisfied the insurance companies that the city would do everything possible to prevent further extensive conflagrations, and they thereupon resumed business. Reference has already been made to the historic fact that

INSURANCE WAS ORIGINALLY COMMERCE.

From the statute of Elizabeth to 1868 insurance was invariably regarded as commerce. Wooddesson, in his "Lectures on the Law of England," thus stated the eighteenth century rule:

In what cases and how far insurers should be liable is covered chiefly by the customs of merchants and some at least of that profession are usually empanelled on the jury to try these suits.

The two great lawyers of the constitutional convention were James Wilson of Pennsylvania, afterwards a justice of the United States Supreme Court, and Alexander Hamilton. In his lectures on private international law before the University of Pennsylvania (1 Wilson's Works, 335), speaking of the law of merchants, Justice Wilson said:

This system of law has been admitted to decide controversies concerning bills of exchange, policies of insurance, and other mercantile transactions, both where citizens of different States and citizens of the same State only have been interested in the event.

In Hamilton's famous opinion upon the constitutionality of the proposed Bank of the United States, he enumerated under the heads of the power to regulate commerce with foreign nations the following items: "3. The regulation of policies of insurance. * * 4. The regulation of pilots." (3 Hamilton's Works, Lodge's ed., p. 203.)

It has never been doubted that pilotage is an instrumentality of commerce, and Hamilton's declaration puts the regulation of pilots in the same category. He further said:

In all questions of this nature, the practice of mankind ought to have great weight against the theories of individuals. The fact, for instance, that all the principal commercial nations have made use of trading corporations or companies for the purpose of external commerce is satisfactory proof that the establishment of them is an incident to the regulation of the commerce. (Ibid. 222.)

This observation, though made with reference to the creation of a bank, applies forcibly to our present argument, for insurance is commerce the world over. In England it is regulated by the Board of Trade; in France, by the Minister of Commerce; in Norway by the Commercial Registrar; in Austria by the Tribunal of Commerce, and in the United States it is held to be trade with the enemy.

In New York Life Insurance Company vs. Davis (95 U. S. 425) the facts are that before the war the company issued a

policy of insurance to a citizen of Virginia, who paid the premiums regularly up to December 28, 1860, to the company's local agent at Petersburg, Virginia, where the assured also resided. Shortly after the war broke out the agent entered the Confederate service as a major; he remained in that service until the close of the war and did not thereafter resume his agency for the company. The offer of the premium due in December, 1861, was made to the agent, who refused it, saying that he had received no receipts from the company such as had usually been furnished him in advance of the maturity of the premium; and for the further reason that he knew the money would be confiscated by the Confederate Government if he did receive it. The assured died in 1867; suit was brought upon the policy, the plaintiff claiming that the insured had been guilty of no laches and that at the close of the war the policy revived. So much of the opinion, which was by Mr. Justice Bradley, as is pertinent to the present discussion is in these words:

> That war suspends all commercial intercourse between the citizens of two beliligerent countries or States, except so far as may be allowed by the sovereign authority, has been so often asserted and explained in this court within the last fifteen years that any further discussion of that proposition will be out of place. As a consequence of this fundamental proposition it must follow that no active business can be maintained either personally or by correspondence, or through an agent with the citizens of one belligerent with the citizens of another.

Mr. Justice Bradley used the language with reference to the facts of the case he was deciding and it is now to be considered with reference to those facts. The subject of the "commercial intercourse" and "active business" between the New York Life insurance company and Davis was a policy of life insurance. The authority of that decision has never been challenged, and if it was correctly decided, insurance is commerce.

The assumption that it is a new thing to classify insurance as commerce ignores the facts or is based on ignorance of the facts. For in its origin, its nature, by the practice of mankind, by the contemporary practical construction of Hamilton and Wilson, the uses made of it, its intimate and vital connection with all commercial intercourse, insurance is commerce. There remains the inquiry whether it is "commerce among the States." Marshall said:

> The subject to which the power is next applied, is to commerce "among the several States; the word "among" means intermingled with; a thing which is among others is intermingled with them; commerce among the States cannot stop at the external boundary line of each State, but may be introduced into the interior. (Gibbons vs. Ogden, supra.)

There are, therefore, two kinds of commerce: that commerce which is exclusively and completely internal and "is carried on between man and man in a State or two different parts of the same State"; and "commerce among the States." The word "among" is restricted to that commerce which concerns more States than one. The completely internal commerce of a State is excluded from Federal control. (Gibbons vs. Ogden.) More recent utterances of the Supreme Court affirm this doctrine. (County of Mobile vs. Kimball, 102 U. S. 691; Western Union Telegraph Company vs. Texas, 105 U. S. 460.)

Mr. Justice Miller in his "Lectures on the Constitution" (467), defines this clause to mean commercial traffic and intercourse "between the citizens or subjects of those nations, States or tribes" designated in the clause. Therefore, when there is diversity of citizenship of the parties to a transaction of commerce, the power of regulation is vested in the United States; the commercial intercourse thus subjected to Federal regulation is among citizens, not of the States, but of the United States, which becomes for such purpose "a national federal State" in the language of the learned author of "Judson on Interstate Commerce" (p. 8), and the regulation is conducted without regard to State lines. Finally

CONGRESS HAS THE POWER TO DETERMINE

the articles which may be the subjects of commerce. (Mr. Justice Catron in License Cases, 5 How. 294, quoted by Justices Matthews and Field in Bowman vs. Railway Company, supra.) Congress is the exclusive judge of the expediency of the regulation of insurance and of the facts which render such regulation expedient (McCulloch vs. Maryland); and one may count upon his fingers acts of Congress held unconstitutional for want of constitutional power. (United States vs. Steffen, 100 U. S. 82.)

If, therefore, Congress shall see fit to supplement its direction to the Bureau of Corporations by providing for complete supervision of insurance it will perform a great and needed public service. Such supervision will assure the maximum of corporate publicity, which is demanded not only for the policyholders, but to preserve the corporations themselves against unjustifiable and malicious attacks, for the interests of the policyholders and the insurance companies are identical.

Time has demonstrated the correctness of Hamilton's declaration that the danger of usurpation by the Federal Government is not to be found in the nature and extent of the powers confided to it, but rather, if at all, in its composition and structure. The American people love the States, but they love the nation more, and are not ready to abandon our constitutional government. The suggestion that the States will object to the loss of either revenue from, or control over, interstate insurance business is pure speculation, but is best answered in Madison's ringing words:

> The public good, the real welfare of the great body of the people, is the supreme object to be pursued; * * no form of government whatever has any other value than as it may be fitted for the attainment of this object. Were the plan of the Constitution adverse to the public happiness, my voice would be Reject the plan. Were the Union itself inconsistent with the public happiness, it would be Abolish the Union. In like manner, as far as the sovereignty of the States cannot be reconciled to the happiness of the people, the voice of every good citizen must be, let the former be sacrified to the latter. (*The Federalist*, No. 45.)

Interstate insurance is "commerce among the States," and the general good requires its regulation as such; the duty of Congress is plain and no phantom of State rights should intervene between that duty and its performance.

FACTS AND OPINIONS.

(*Continued from page* 440.)

the two companies, as they conflicted in certain lines of insurance.

In spite of the $1,000 reward offered by the National Board of Fire Underwriters, and in spite of redoubled vigilance on the part of the police and watchmen, probably **incendiary fires** have been very frequent in **Boston** the past week or so. Once the police thought that they had the fire bug, and once they let go of a man who they now think may have been the incendiary; but as far as any real apprehension goes the result up to date is nil.

On Saturday last the **Board of Fire Underwriters of the District of Columbia** held an excursion and **shad bake** at Marshall Hall, nearly 200 members and guests being present. A varied programme of athletic stunts and gastronomic feats afforded an interesting day's amusement. The general committee that ran the affair was Walter A. Brown, Philip F. Larner, Ralph W. Lee, H. K. Simpson, W. H. West, Lem Towers, Jr., and Leroy Mark.

A temporary restraining order has been granted by the court, sitting at Austin, in the **Texas franchise tax law** case until Saturday, May 6. The opinion of the attorneys for the companies is that the law is unconstitutional because the constitution of the State prohibits the Legislature from passing two bills on the same subject which conflict with each other at one session.

In a brawl with another man F. G. Carroll, of Gaffney, S. C., cut his knuckles on his antagonist's teeth. Blood poisoning resulted and Carroll died four weeks afterward. He was insured for $5,000 in the Fidelity and Casualty Company, which declined to pay on the proper ground that the injury was caused by the performance of an unlawful act. A sympathetic jury has returned a verdict against the company for the full amount.

There has been an epidemic of **horse and wagon robberies** in New York city within the last week. The National Surety Company, which issues a policy covering horses, wagons, harness, etc., has received several claims within the last few days. The National has a well equipped secret service department, and has been successful in every instance in locating the stolen property and restoring it to its owners.

The **Continental Life of Chicago,** which has been in trouble for some time because of its inability to settle claims, is

closed on judgments secured against it by its attorney and by the lithographing company which got out its policies. The concern was promoted by one Knapp, who proposed to make a specialty of insuring people who were regarded as uninsurable by regular companies.

The report of the receiver for the defunct **Equitable Mutual Life of Waterloo, Ia.,** has been filed in court. The receivers collected $34,000, but the attorneys asked for $8,440 of this. Complaint is also made that the late Buren R. Sherman, the receiver, drew the sum of $150 a month for that position for a year after he was stricken with paralysis and unable to perform any services.

At the dinner to **Dr. Osler,** given by 500 brother sawbones in New York this week, on the eve of his departure to take up the Oxford professorship, it was announced by Dr. Jacobi that the mother of Dr. Osler is still living at the advanced age of ninety-eight. The venerable lady, who was forty years old nearly sixty years ago, is said to be quite as smart as her son.

The **Columbian National Life** insurance company, which has heretofore worked Jersey City territory in a more or less desultory manner from the New York office, has decided that there is a good field for labor across the water, and last Tuesday established a general agency at 15 Exchange place, Jersey City, under the management of Mr. Joseph A. Baker.

The **Calumet of Chicago** was admitted to New York and Massachusetts this week, and is now operating in sixteen States. Membership of the company in the San Francisco Board of Fire Underwriters is held up by that organization until the company's San Francisco agents, Taylor & Sperry, "clear up their past record and give satisfactory assurances as to the future."

The **Iowa agents of the Equitable Life** met at Des Moines April 25, and adopted resolutions indorsing mutualization and the attitude taken by Manager Dwiggins at the recent general agency convention. The Iowa agents of the New York Life took luncheon with Vice President Buckner at the same hotel on the same evening.

The **Bay City (Mich.) Underwriters' Association** has adopted strong resolutions protesting against the proposed reduction of the fire department force. The large proportion of frame buildings made the city specially hazardous, and any reduction would certainly be followed by an increase in insurance rates.

The quarterly meeting of the **Northwestern Mutual Life** shows a material increase in business, the assets having gained $4,168,308 during the first quarter of the year, now amounting to $197,955,741. The new insurance written during the quarter was $23,827,280, a gain of $2,500,000 over the same period last year.

An act to incorporate the **New England Fire insurance company** of Providence, R. I., is before the Legislature in that State. The company is to have $200,000 capital stock, half to be paid in. The incorporators are Charles S. Sisson, Frederick S. Peckham and Christopher P. Pierce.

The **Cleveland Association of Life Underwriters** is organizing a campaign against the present system of life insurance taxation. It proposes to circularize the policyholders of its members, and to ask every candidate in the Legislature to pledge himself to a more equitable system.

The Brooklyn agency firm of **Renshaw & Liell** has removed from 187 to 154 Montague street. It has recently been appointed agent for Long Island of the German National of Chicago and the Eastern Fire of Atlantic City.

The **Wisconsin Supreme Court** has denied a motion for a rehearing of the case in which the Commissioner attempted to compel the Equitable to distribute its surplus of $80,000,000 among its policyholders.

The **International Life Insurance Company** has been incorporated at Washington, D. C., by George C. Hazelton, Amory K. Tingle, Asher Ayres, John N. Parsons, G. W. Cave and W. H. Saunders, with $30,000 capital stock.

The late clerk of the East Orange (N. J.) excise board, Stephen M. **Long,** whose **accounts** were found to be **short** $5,000, was bonded in $2,000 by the Fidelity and Casualty insurance company.

The **Lewis and Clark Exposition** at Portland has set aside Saturday, September 16, as **insurance day.** Efforts will be made to have the Pacific Coast insurance organizations meet there at that time.

The **Insurance Company of North America** has announced its intention of discontinuing its reinsurance business in Austro-Hungary, which it has been carrying on for some years there.

The **National insurance company** of Norfolk, Va., has been incorporated with $50,000 capital. A. H. Martin is president, E. C. Fosburg vice president and T. W. Shelton counsel.

The **Colonial Life** insurance company of Jersey City during the past two months has written the largest volume of business for a similar length of time since its organization.

The Wisconsin Insurance Department collected $562,685 last year, of which $342,930 came from the life insurance companies and $180,281 from the stock fire companies.

Louisiana has **admitted** the **Trezevant & Cochran** insurance company of Dallas, Tex.; the Empire State Surety of New York and the State Life of Indiana.

An **industrial insurance company** is being organized **at Moultrie,** Ga., by F. J. Bivens, who will be manager; W. B. McPhaul and Dr. R. C. Lindsley.

The **Buxton Insuring Agency** has moved to the Lloyds Plate Glass Building, William and Cedar streets, southwest.

A **local fire insurance company** is being organized **at Durham,** N. C., with $100,000 paid up capital.

The **Georgia Home** insurance company, it is announced, will soon enter Massachusetts.

The **life insurance agents of Columbus, Ga.,** organized an association last week.

The **Security Fire** of Baltimore has been admitted to Nebraska.

Lyons, Stadholz & Co., adjusters, have moved to 68 William street.

Personal.

AGENCY APPOINTMENTS.

American Fire of Philadelphia: Fred. P. Maus, special agent for Northern Illinois.

Calumet Fire: Swan & Odiorne, Philadelphia, Pa.

Camden Fire: Cravens & Kelly, Houston, Tex., general agents for Mississippi.

Commercial Union and Palatine: George S. Tompkins, special agent for New York State.

Eagle Fire: Max Schottenfels, agent for Hamilton County, Cincinnati, Ohio.

Equitable Fire and Marine: William H. A. Munns, special agent for Illinois.

Newark Fire: Charles Williams & Son, second agents for Philadelphia and vicinity.

Northwestern Mutual Life: W. J. Fischer, general agent, St. Louis, Mo.; Charles Sachs, general agent, Kansas City, Mo.

Penn Mutual Life: Nicholas C. De Ronville, Albany, N. Y.

Shawnee Fire, Topeka: Scruggs & Smith, Dallas, Tex., general agents for Louisiana.

State Life of Indiana: A. S. Carrington, State agent, New Orleans, La.

T. & C. insurance company of Dallas, Tex.: E. E. Wright, State agent, New Orleans, La.

Washington Life: Lathrop E. Baldwin, manager metropolitan and Long Island department, 141 Broadway, New York.

Mrs. Minerva Hewitt, widow of the late Edgar A. Hewitt, of the *Chronicle*, died at the Hotel Girard, 123 West Forty-fourth street, New York, at midnight on Wednesday. She had been ill nearly two years, and quite seriously the past six months from a throat affection. On the death of Mr. Hewitt, in June, 1877, she became part owner of the *Chronicle*, and the principal stockholder when Mr. O'Donoghue died a few years later. During all the years since and until the sale of her interest in June, 1903, Mrs. Hewitt kept in close touch with the paper and was widely known in the insurance business, in which she had a host of friends. She was a lady of many charms of person and manner and will be sincerely mourned. The funeral services were held at the Hotel Girard on Friday evening, and the remains will be interred at Cambridge, N. Y., long her summer home, today.

Vice President Moore Sanborn, of the Security Trust and Life, has retired from that position and from the insurance business, and will re-enter the ministry. He was formerly a Unitarian minister and since then has been at different times an agency director for the New York Life, general agent for the Massachusetts Mutual Life and superintendent of agencies and first vice president of the American Union, Security Life of Binghamton, and Security Trust and Life. His wide experience and popular manners have made him an important factor in the life insurance business, and the announcement of his retirement will be received with regret in the business.

Mr. Franklin Havens, secretary of the Albany Board of Fire Underwriters, was shot by Miss Julia Craver, a clerk in his employ, in his office on Monday. He died soon after in the Albany Hospital. Miss Craver asserted that the shooting was accidental, and the police found no evidence to doubt her story. Havens was unconscious until his death and was unable to make any statement. Mr. Havens was thirty-five years old and married. He leaves two children. Miss Craver is well connected and bears an excellent reputation. She has been employed in Havens' office for more than a year.

Mr. Frederick E. Bruce, manager for Northeastern Ohio of the Provident Savings Life, gave a banquet at the Hollenden Hotel, in Cleveland, on the evening of April 28, to his agents, celebrating his seventh anniversary as manager for the field. The guests included Comptroller Hubbard, Medical Director Fiske, Frederick N. Arvin, assistant superintendent of agencies; Charles E. Scovel, manager for Pennsylvania, and M. W. Connors, manager for Michigan. Mr. Bruce's agency force presented him with applications for $158,500.

Miss Kate Uhlfelder, of Montgomery, has been appointed State agent for Alabama of the Equitable Life Assurance Society to succeed her brother, the late Augustus Uhlfelder, who recently died suddenly in New York, while on a visit to the home office of the company. Miss Uhlfelder is probably the only woman in the United States who holds a State agency for one of the large life insurance companies. She assisted her brother for a number of years, and developed a rare business ability.

Mr. Henry R. Turner, of Boston, has been appointed general agent of the City of New York insurance company for New England. Mr. Turner is one of the most popular underwriters of that section, and as former special agent of the Niagara and then the Greenwich, also as former president of the New England Insurance Exchange and chairman of the governing committee of the New England Bureau of United Inspection, has made an enviable name for himself.

Dr. J. A. Jackson, of the Mutual Life of New York, delivered three largely attended lectures at the University of Chicago on Monday, Tuesday and Wednesday of last week, followed by two lectures at the Northwestern University on Thursday and Friday. On Saturday Dr. Jackson addressed a rally of the Chicago agents of the Mutual Life, at Manager Carlile's office. He was the guest of Mr. Carlile during his stay in the city.

Mr. C. D. Oliphant on Monday last began service with the firm of Gilmour & Coolidge, of Boston, managers for Eastern Massachusetts of the Fidelity and Casualty, as manager of the burglary insurance branch for that territory. Mr. Oliphant has had experience with Messrs. E. E. Clapp & Co., New York city agents of the company, and may be expected to secure a vigorous development of his specialty in his new field.

Mr. R. O. Becker, field superintendent of the Northwestern Mutual Life, of Milwaukee, at Chicago, and prior to 1902 district agent of the company at Peoria, Ill., has been appointed general agent of the Northwestern Mutual for Central and Western Illinois at Peoria. He has the record of having for a number of years past written the largest personal business for the company of any man in the State outside of Chicago.

Consulting Actuary Miles M. Dawson lectured this week before the students of the University of Michigan upon the following topics: "The Fixing of Damages in Actions for Negligence," "Employers' Liability and Workmen's Compensation Acts," "Pension Funds," "Service Pensions," "Fraternal Life Insurance," "Mutual Employers' Insurance," "The History of Insurance Mathematics."

Mr. Samuel L. Altaffer, of the Norwalk, Ohio, insurance firm of Altaffer & Canfield, died suddenly of heart disease at his home in that city on Thursday of last week. He was the oldest agent in the State of the Ohio Farmers insurance company and a former president of the association of agents of that company. He was sixty-seven years old and had been with the Farmers for nearly twenty-five years.

Dr. T. J. Watson, the Missouri physician who was charged with murdering his wife to get the insurance on her life, but was acquitted on trial, has already collected $16,000 of her life insurance. The only policy remaining unpaid is for $2,500, in the Union Central Life. There was also $12,000 of accident insurance, none of which has yet been paid, and it is believed that suit will be necessary.

Messrs. Stussy Brothers, a wideawake Brooklyn agency, have secured the National Fire of Alleghany for Long Island business. They recently added to their underwriting facilities the German-American of Baltimore and the New York Underwriters' Agency for suburban business on Long Island. Charles S. Stussy and F. Stussy, Jr., are the partners.

Mr. Ole O. Roe, of the Iowa Insurance Department, addressed the meeting of the Iowa Life Underwriters' Association at the Savery Hotel, Des Moines, April 22. He considered questions of taxation and legislation as related to the insurance department, and advocated a law making it possible for Iowa companies to invest their funds in buildings.

Mr. C. E. Mabie, formerly president of the National Life of the U. S. A., and afterwards a vice president of the Mutual Reserve Fund, is now temporarily connected with the National Mutual Fire, of Omaha, Neb., which has been organized to carry the surplus lines of mutual fire insurance companies throughout the country.

Mr. H. J. Ide, who resigned this week as second vice president of the Mercantile Fire and Marine insurance company, of Boston, will probably soon receive an appointment as New England general agent of the American insurance company, of Newark, N. J.

Mr. Frederic A. Parsons, who retired last January as vice president of the Atlantic Mutual insurance company of New York, after fifty years' connection with the company, died of apoplexy in Brooklyn, N. Y., on Tuesday, aged sixty-six years.

Mr. George Gooderman, president of the Manufacturers Life insurance company, of Toronto, Canada, president of the Bank of Toronto and very prominent otherwise in financial circles there, died there May 1, aged eighty-five yars.

President John Tatlock, of the Washington Life insurance company, is now on a tour of the company's Central and Western agencies. He will visit Chicago, Omaha, Kansas City, Minneapolis, St. Paul and other important centres.

Mr. Melville S. Parry, for many years with the Confederation Life insurance company, of Canada, has been appointed general agent of the Equitable Life Assurance Society for British Columbia. He resides at Nelson, B. C.

Messrs. H. F. Norris, superintendent of agencies, and J. W. Fisher, chief medical director of the Northwestern Mutual Life, attended a rally of the agents of the company at the Hollenden Hotel, at Cleveland, April 24.

Mr. Guy E. Thompson, manager of the Washington Life insurance company at Little Rock, Ark., and Mr. J. M. Stevens, manager at Jacksonville, Fla., were visitors at the home office of the company this week.

Mr. William G. Whilden, secretary and managing underwriter of the Eagle Fire insurance company, of New York, has returned from a trip through the West, where he has been establishing agencies.

United States Manager Uberto C. Crosby, of the Royal Exchange, assumed his new duties on Tuesday. General Manager Hiles, of the Royal Exchange, sails for England on May 13.

President Dryden, of the Prudential, will visit Louisville May 27, when a banquet will be tendered him by the agents of that section at the new Seelbach Hotel.

Captain J. L. Adams, who for fifteen years has been manager of the State Mutual Life at Louisville, Ky., has resigned.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

LITTLE ROCK, Ark., May 1.—The Raney bill, passed by the Legislature this session, repeals all laws and parts of laws inconsistent with it and provides as follows: "It shall be unlawful for any mutual fire insurance company or association, or any company or association having for its object the indemnification of its members from loss by fire, lightning, tornado, windstorm or cyclone, now or hereafter to organize or do business through

solicitors or agents except under the provisions of this act." It is argued by certain agents that the clause reading "or any company or association having for its object the indemnification of its members from loss by fire," etc., may give the companies now withdrawn from the State a loophole for operating under this act.

Connecticut.

HARTFORD, Conn., May 4.—The Insurance Committee has agreed to report favorably the bill incorporating the Standard Fire insurance company. This is the company which was originally projected as the Catholic Mutual Fire insurance company of Hartford, and is organized to secure lines on Roman Catholic property located in this State. The words "of Hartford" were stricken out at the request of President Chase, of the Hartford Fire, and the company was renamed at the suggestion of the committee, who objected to giving a religious appellation to an insurance enterprise. The capital named is $100,000, and the company may do business on both mutual and stock plans. All the capital is to be paid in before the company starts business. The act of incorporation was advocated before the committee by Lawyer Spellacy, of this city, who is acting for the incorporators, Thomas Kelley, James Donovan and Thomas Welch, of Middletown. He said that the intention of the incorporators was to start in Connecticut, and after four or five years increase the capital and branch out into other States. Insurance Commissioner Upson had no objection to the participating feature in the act of incorporation, but suggested that unless the company was to do a purely local business it had better have at least $200,000 capital.

The insurance committee has reported favorably a resolution authorizing the Travelers insurance company to elect directors for varying terms. The finance committee has reported favorably a bill continuing for five years the statute which exempts from taxation stocks of banks and insurance companies held by charitable and benevolent institutions.

Florida.

TALLAHASSEE, Fla., April 28.—A State insurance bill, drawn up but not yet introduced, provides that the Governor shall appoint three insurance commissioners, each at a salary of $3,500 for terms of four years, who shall conduct the business of insurance by the State. Policies are to be conditioned like the standard policies issued in New York and based on United States mortuary experience tables. Commissioners are to frame a plan within ninety days and submit it to the Governor within four months from the passage of this act. An insurance fund is to be formed to pay expenses after the first two years. Policies are to yield the State not over 5 per cent. profit. Governor Broward in his message to the Legislature urged State insurance, but this is not his bill.

TALLAHASSEE, Fla., May 4.—Two insurance bills were introduced in the House today, one, by Mr. Johnson, being already described; another, by Mr. Wilson, provides for control of insurance by a board, and is generally looked on as an administration measure. Mr. Kirkland's anti-trust bill, which is now on the House calendar, is based on the Arkansas law and will be opposed by a resolution in the Jacksonville Board of Trade. A bill has been introduced in the House exempting home insurance companies from the premium tax. This action is taken in consequence of the recent organization of a half million dollar insurance company at Tampa.

A bill will be introduced shortly akin to the Mississippi law requiring insurance companies to invest half of their premiums in the State in which they are paid.

Illinois.

SPRINGFIELD, Ill., May 5.—The Senate has passed Senate Bill No. 315, by Mr. Berry, requiring the Superintendent of Insurance to charge as liability of casualty companies all outstanding indebtedness, and requiring such companies to report each year their experience on policies in every State as to the number of persons injured.

Senate Bill No. 27, by Mr. Clark, to tax life insurance companies on net assets, real estate being deducted, was advanced to third reading in the House.

Massachusetts.

BOSTON, Mass., May 2.—By a vote of 24 to 7, after debate, the Senate this afternoon ordered to a third reading the House Bill No. 1126, to authorize certain employers' liability insurance companies to do a boiler insurance business.

New York.

ALBANY, N. Y., May 3.—The House has passed the bill of Mr. Page (Senate Bill No. 757) prohibiting casualty and credit insurance corporations after June 1, 1905, from transacting the business of guaranteeing against loss and damage merchants and others giving credit to customers.

The House passed the Senate Committee's bill, No. 943, in relation to the expense of management of life or casualty corporations upon the co-operative or assessment plan.

The Senate this afternoon passed the bill of Senator Grady, No. 1001, in relation to the jurisdiction of the Superintendent of Insurance over foreign insurance companies.

The bill of Mr. Tompkins, House Bill No. 740, providing that officers of fraternal benefit societies, orders or associations may be elected by direct vote of individual members, was also passed by the Senate.

ALBANY, May 3.—The Agnew State Water Commission Bill and the Tompkins Bill, drawn by Mayor McClellan, and providing for a commission to be appointed by the mayor to regulate the New York city water supply system, passed the Senate today, and both have gone to the Governor.

ALBANY, N. Y., May 4.—The House has passed Mr. Grady's Senate Bill No. 1001, in relation to the jurisdiction of the Superintendent of Insurance over foreign corporations.

ALBANY, N. Y., May 5.—The House today passed Mr. Ambler's Senate Bill No. 392, relative to the amendment of charters of domestic insurance corporations.

ALBANY, N. Y., May 5.—Comparatively little insurance legislation was considered during the closing week of the session. One of the few insurance measures which made unusual progress, getting to the Governor at the eleventh hour, was Senator Grady's relative to the jurisdiction of the Superintendent of Insurance over foreign corporations.

Among the bills allowed to die were two of Mr. Riordan's, Senate Bill No. 807, regulating the publication of printed or written reports and statements in reference to the financial condition of life and fire insurance companies, and his Senate Bill No. 860, in relation to licenses to agents in surplus or excess insurance business.

Tennessee.

It has been discovered that the anti-compact law as amended by the House, and passed at the recent session, includes a section which reads exactly the oposite of what was undoubtedly intended. It is presumed that the Supreme Court will inter-

pret the law according to its intention. The amended section reads as follows: "Provided, further, that if any board of agents, or agent, or company, attempt to impose any fine upon any agent or company who shall refuse to write at any rate other than that fixed by said board, he shall be guilty of a misdemeanor and subject to a fine of not less than $50."

Wisconsin.

Madison, Wis., April 28.—The Governor has signed Senate Bill No. 407, by Mr. Munson, which requires individual agents to countersign fire insurance policies.

The House has concurred in the passage of Senate Bill No. 145, by Mr. Roehr, regulating the reinsurance of domestic, life, accident and health insurance companies.

Madison, Wis., May 1.—House Bill No. 266, by Mr. Durland, to amend Section 1926 of the Statutes of 1898, as amended by Chapter 32 of the Laws of 1899, relating to the tax on insurance premiums, has been indefinitely postponed.

Communications.

Investments of the Mutual Reserve Life Insurance Company.

To the Editor of the Weekly Underwriter:

Having made a careful examination of the annual reports of the Mutual Reserve Life insurance company and being familiar with its history and present condition I herewith, in addition to those contained in my letter of April 11, submit a statement of a few facts and figures which every policyholder of this company has a right to know.

The sworn reports of the Mutual Reserve Life insurance company for the three years ending December 31, 1904, show that more than one-third of the first year's premiums, reported as income, consists of notes which remain unpaid, as shown by the following statement:

Notes received on new policies	$491,646.35
Notes received on old policies	856,524,24
Total	$1,348,170.59
Reduction of premium notes	1,289,218.12
Notes received on old policies	856,524.24

The $1,348,170.59, "notes received," is reported as "income," and the $1,289,218.12, "reduction of premium notes," is reported as "paid to policyholders," when, as a matter of fact, the $21,-185.54, "notes redeemed in cash," is the only cash received or paid out on premium notes.

It also appears that in the same three years, 1902-4, each $1,000 of first years' premiums, paid in cash, cost nearly $4,000 to get it. The cost of getting new premiums is the amount paid in commissions on first years' premiums, salaries of agents and clerks, agency supervision, traveling and other agency expenses, medical examiners' fees, inspection of risks, advertising, etc., and 25 per cent. of all other expenses. The cost of new business, on this basis, for the three years ending December 31, 1904, amounted to $2,306,611.78. The new premiums paid in cash, in the same three years, were $824,516.94, with a decrease of $14,-436,882 in insurance in force and a decrease of $138,352 in the surplus.

That the "Mutual Reserve Building" leasehold is not an investment sanctioned by the insurance laws of the State of New York is not disputed by anyone who is an authority on the subject, and that it is of no value to the policyholders either as an investment or as security for the payment of claims can be proved by a presentation of the facts, which are as follows:

The building was erected in 1893, by the Mutual Reserve Fund Life Association, on ground owned by the Weld estate and leased to the association June 1, 1894. That the cost of construction was only $364,070.16 appears from the following extract from the report of the examination of the Mutual Reserve Fund Life Association by the Insurance Department of the State of New York, dated March 27, 1895.

$408,296.60 of the reserve or emergency fund of the association has been invested in a lease of the property situated on the corner of Broadway and Duane street, where the building known as the Mutual Reserve Building has been erected. * * $44,226.44 of this item was not expended in the construction of the building, but in its equipment for furniture, shades and awnings, salaries of attendants and rent during construction.

In the sworn report for the year ending December 31, 1896, it is stated that the "cost of construction" was $528,022, and was reported as "real estate owned by the Mutual Reserve Fund Life Association." How much of this "real estate" is made up of rent, etc., appears from the fact that the amount charged to rent, 1894-6, is $575,945.41, being $279,597 more than the total paid in rent by the Mutual Reserve Fund Life Association in the previous thirteen years of its existence. In 1893, the year previous to its removal to the "Mutual Reserve Building," the Mutual Reserve Fund Life Association had more than double the insurance in force it now has and that year the total paid in rent was $53,431 less than the average annual amount paid since 1893.

The total reported as having been paid in rent, 1894-1904, is $1,-203,802.77, being $697,748 more than it would have cost had the annual amount paid been the same as in 1893.

The following table shows the amount paid in rent each year, 1893-1904:

1893	$46,004.92	1899	$81,757.99
1894	113,768.68	1900	74,255.29
1895	244,634.71	1901	75,303.48
1896	217,542.02	1902	72,216.68
1897	83,620.89	1903	77,464.15
1898	86,623.96	1904	76,614.92

If the extra amount charged to rent, in 1894-5-6, was for "equipment, furniture, shades, awnings, salaries of attendants and rent during construction," this amount and other expenses connected with the "Mutual Reserve Building" exceed the total income from rent by nearly $100,000, notwithstanding the fact that the amount charged for home office rent every year since 1893 is nearly $30,000 more than the amount paid in 1893, or in any year previous to that date.

If the Mutual Reserve Life insurance company could cancel the lease and return to the quarters it occupied in 1893 it would save more than $10,000 per annum, but if it did this the $482,-598 "real estate" would be wiped out and it would be insolvent by more than $100,000. The total assets, December 31, 1904, exceeded the liabilities by $376,668.28, but $938,581 of the assets cannot be used in the payment of claims, $482,598 being invested in the leasehold of the "Mutual Reserve Building" and $455,983 in foreign countries for the protection of foreign policyholders.

An Old Policyholder.

Miscellany.

Penn Mutual Life Insurance Company—Report of the Examination by the Insurance Departments of Pennsylvania, Massachusetts and Wisconsin.

The report of the examination of the Penn Mutual Life insurance company by the insurance departments of Pennsylvania, Massachusetts and Wisconsin, which has been in progress since February 1, and which was undertaken at the request of the company, in accordance with a resolution adopted by its board of directors December 7, 1904, was made public this week.

The examination was conducted by Robert E. Forster, actuary, and three examiners on behalf of the Pennsylvania department; William H. Brown, actuary, and H. L. Peabody, examiner, on behalf of the Massachusetts department, and S. H. Wolfe, actuary, Charles W. Fricke, attorney, Thomas M. Purtell, examiner,

and Zeno M. Host, Insurance Commissioner, on behalf of the Wisconsin department.

Mr. Wolfe was the examiner in charge of the work, and there were forty-six appraisers of the property owned by the company.

The report gives in detail the findings as to the verification of the company's annual statement of December 31, 1904, and an analysis at length of the various items composing the same. The following are the conclusions of the examining commissioners:

There were prepared and submitted to the officers of the Penn Mutual Life insurance company such questions as were deemed necessary for them to answer. Attached hereto the same may be found as a part of this report.

As called for in the resolution adopted by the board of trustees of the company, a full and complete examination of the company was made, and its affairs subjected to the closest possible scrutiny.

The findings submitted by the examiners show that the net surplus of the company, as of December 31, 1904, should be $4,490,498.66, instead of $4,231,261.22, making a surplus larger by $259,237.44 than claimed in the annual statement of the company. All of the company's assets have been appraised by competent experts employed in this examination, and the increase in surplus shown arises from the conservative valuation of assets by the management.

The charter of the company, granted February 24, 1847, provides fully for its operation on a purely mutual basis, and it has no capital stock. The trustees are elected directly by the body of policyholders, no proxy voting being permitted, and the officers are in turn elected by the trustees, no one of whom is eligible to official position.

The officers and trustees exercise constant, intelligent and faithful supervision over all features of the company's business.

The real estate holdings were examined by competent appraisers selected in the various localities, with the result that the valuations obtained are $387,699.76 in excess of those claimed by the company.

The mortgage and loan departments are well organized, and administer their respective duties with commendable caution and skill.

The loans on collateral are amply margined. The stocks and bonds owned were carefully counted, and the market value ascertained through bond experts, with the result shown that the values claimed by the company are conservative.

In addition to the legal requirements, the company has voluntarily set aside $1,062,679 in order to meet any possible contingencies in the way of lower interest rates or excessive mortality.

The expense of obtaining new business has been kept at a normal figure, and no disposition has been found unduly to develop the writing of insurance upon deferred dividend plans. On these the dividends are apportioned annually, and the interests of the policyholders are fully guarded by the terms of the contracts and the practice of the company.

The agency branch, looking at the annual product of new business, has been conducted with due economy and with fidelity to the interests of policyholders.

The selection of risks is in competent hands, as the very excellent mortality experience of the company indicates. The company is operating in practically all the States and Territories of the United States, and on December 31, 1904, had upon the "paid for" basis 140,798 policies outstanding, insuring $332,016,287.

Although an examination of this kind naturally interferes with the routine work of the office, the officers and employees of the company rendered every assistance within their power to the examiners, and cheerfully complied with all requests.

ISRAEL W. DURHAM,
Insurance Commissioner of Pennsylvania.
FREDERICK L. CUTTING,
Insurance Commissioner of Massachusetts.
ZENO M. HOST,
Commissioner of Insurance of Wisconsin.

Report of the Committee of Twenty of the National Board of Fire Underwriters.

The Committee of Twenty of the New York Board of Fire Underwriters, in anticipation of the annual meeting of the board next week, has made a report of its transactions to the executive committee of the board. The following are extracts:

The committee was the outcome of two meetings of National Board members, called March 1 and March 15, 1904, to consider the conditions revealed by the Baltimore, Rochester and Toronto conflagrations. Its object has been to make an exhaustive investigation, in the principal cities in this country, into all matters affecting fire hazard and fire prevention from an underwriting and municipal standpoint, with a view to improving existing conditions by competent suggestions and recommendations.

Mr. Herbert Wilmerding was engaged to organize and direct the work, taking hold April 1, 1904. The original policy was to employ only civil, mechanical and hydraulic engineers to conduct the actual examinations made, and to this end parties of six were gradually formed and coached until by the middle of December four parties were ready to operate alone in the field. Owing to trials of organization and the difficulty of securing and training suitable men, few reports were issued during the initial stages of the work.

There are 119 subscribers to the committee's work, of which 112 are regular National Board members. The expense so far has been $81,510.82, and the following cities have been inspected, and reports made thereon: Norfolk, Pittsburgh, Bridgeport, Hoboken, Cincinnati, Allegheny, Paterson, Syracuse, Buffalo, Rochester, Albany, Troy, Worcester, Providence, Newark, St. Louis, Atlanta, El Paso, Jersey City, Savannah, Birmingham and Mobile.

The cities which have been and are being written up are New Orleans, Knoxville, Memphis, Augusta, Vicksburg, Los Angeles, Stockton, Fresno, Bakersfield, San Diego.

The cities now being inspected are New York, Chicago and San Francisco, started; Washington three-fourths done.

Immediate work laid out for the following: Baltimore, Brooklyn, Oakland, Berkeley, Alameda, San Jose, Sacramento, Portland, Seattle, Tacoma, Walla Walla, Spokane, Helena, Great Falls, Butte, Ogden, Salt Lake City, Leadville, Pueblo, Colorado Springs, Denver, Lincoln, Omaha, South Omaha.

Work is also proposed for ensuing year in the following cities: Boston, Philadelphia, Cleveland, Detroit, Milwaukee, Minneapolis, St. Paul, Indianapolis, Columbus, Kansas City, Louisville, Toledo, Scranton.

The report concludes with a list of the improvements in the several cities inspected which have been secured to date, and a statement of the reasons why in the opinion of the committee the work should be perpetuated.

The Affairs of the Equitable Life Assurance Society —Events This Week.

On Saturday last Chairman H. C. Frick, of the committee of directors of the Equitable Life which is making an examination of that company, gave out the following letter:

To the Policyholders of the Equitable Life Assurance Society:

The members of the investigating committee have received a large number of letters from policyholders making inquiries as to the solvency of the society, and in many cases desiring to know if the sums already paid to the society as premiums on policies were endangered or lost. The work of investigation, to be of value, must be done thoroughly. To do it thoroughly will necessarily take time. The committee is not ready to make its report, and cannot at this time anticipate its report.

In view of these inquiries from policyholders, it seems proper for the committee to state that the interest of every policyholder is absolutely safe. The assets of the society are in its possession. They have been examined in detail by the insurance commissions of many States. They are absolutely sound. Indeed, one of the criticisms of the society's management has been that in its investments it has been conservative to the point of not realizing a sufficiently high rate of interest on its funds.

If the investigation should substantiate the gravest charges made by anyone against the society it would simply mean that in the past the society had not realized all that it might possibly have realized under a different management of its affairs. There are no charges made which, if true, would diminish the society's assets.

The integrity of every one of the society's contracts is absolutely unimpaired. It might be well in this connection to

(*Continued on page* 451.)

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of March, 1905:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$249,146	$204,110	$453,256
Connecticut General Life	36,939	3,100	40,039
Connecticut Mutual Life	479,845	15,350	495,195
Equitable Life, Des Moines	8,718	1,000	9,718
Equitable Life, New York	1,743,535	285,737	2,029,272
Germania Life	159,116	226,613	385,729
Home Life	76,845	31,048	107,893
*John Hancock Mutual Life	437,666	6,042	443,708
Manhattan Life	155,047	25,053	180,100
Maryland Life	5,986	572	6,558
Massachusetts Mutual Life	235,689	48,651	284,340
*Metropolitan Life	1,538,812	23,000	1,561,812
Michigan Mutual Life	70,900	11,582	82,482
Mutual Benefit Life	470,752	110,727	581,479
Mutual Life, New York	2,340,945	386,859	2,727,804
National Life U. S. A	36,059	.....	36,059
National Life, Vermont	105,088	75,000	180,088
Nederlands (U. S. Branch)	1,500	.....	1,500
New York Life	2,034,968	431,510	2,466,478
Northwestern Mutual Life	682,592	131,364	813,956
Pacific Mutual Life	38,880	12,664	51,544
Penn Mutual Life	285,450	118,045	403,495
Phœnix Mutual Life	131,863	11,581	143,444
Provident Life and Trust	159,095	211,056	370,151
Provident Savings Life, New York	132,696	.....	132,696
†Prudential	1,130,676	7,800	1,138,476
State Mutual Life	130,135	44,554	174,689
Travelers	248,422	53,504	301,926
Union Central Life	148,021	40,115	188,136
Union Mutual Life	49,506	11,340	60,846
United States Life	51,892	13,000	64,892
Washington Life	99,160	54,752	153,912
Totals	$13,475,944	$2,595,729	$16,071,673

* Partially industrial insurance. † Report includes both industrial and ordinary business.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to March 31, 1905, inclusive, by the life insurance companies whose monthly reports are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$63,413,891	$29,229,405	$92,643,296
1865	Connecticut General Life	3,473,753	1,179,885	4,653,638
1846	Connecticut Mutual Life	124,528,833	16,468,166	140,996,999
1867	Equitable Life, Des Moines	1,246,010	289,310	1,535,321
1859	Equitable Life, New York	254,901,056	30,863,985	285,765,041
1860	Germania Life	29,637,586	11,164,207	40,801,793
1860	Home Life	14,663,504	3,696,809	18,360,313
1862	*John Hancock Mutual Life	35,848,111	2,144,079	37,992,190
1850	Manhattan Life	33,520,139	5,723,040	39,243,179
1864	Maryland Life	2,916,425	236,676	3,153,101
1851	Massachusetts Mutual Life	27,898,679	4,380,489	32,279,168
1867	*Metropolitan Life	139,310,685	846,882	140,157,567
1867	Michigan Mutual Life	6,532,309	3,122,629	9,654,938
1845	Mutual Benefit Life	110,552,557	12,893,015	123,445,572
1843	Mutual Life, New York	315,870,899	69,152,665	385,023,565
1868	National Life U. S. A	7,525,985	351,489	7,877,474
1850	National Life, Vermont	14,281,371	2,409,795	16,691,166
1893	Nederlands Life (U. S. Branch)	1,346,684	1,000	1,347,684
1845	New York Life	221,872,199	49,741,334	271,613,533
1857	Northwestern Mutual Life	80,475,753	20,586,037	101,061,790
1868	Pacific Mutual Life	6,209,232	1,257,000	7,466,232
1847	Penn Mutual Life	39,361,618	7,918,495	47,280,113
1851	Phœnix Mutual Life	25,711,900	4,955,829	30,667,729
1865	Provident Life and Trust	20,985,962	14,150,986	35,136,948
1875	Provident Savings Life, New York	19,541,358	11,955	19,553,313
1876	†Prudential	86,478,431	199,290	86,677,721
1845	State Mutual Life	13,172,586	2,818,877	15,991,463
1866	Travelers	17,678,554	4,032,039	21,710,593
1867	Union Central Life	14,396,567	3,770,998	18,167,565
1849	Union Mutual Life	18,466,004	6,033,563	24,499,567
1850	United States Life	16,836,389	2,394,882	19,231,271
1860	Washington Life	21,090,819	9,052,545	30,143,364
	Totals	$1,789,745,849	$321,077,356	$2,110,823,205

*Partially industrial business. †Report includes both industrial and ordinary business.

Life Insurance in Canada in 1904.

(Compiled from a Preliminary Report by the Superintendent of Insurance.)

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losess Incurred.
Canadian Companies.						
Canada Life	2,880	$5,443,992	38,714	$78,059,150	$2,227,921	$1,559,602
Confederation	2,689	4,245,797	25,929	37,922,880	1,187,925	582,196
Continental Life	1,048	1,273,369	3,438	3,973,556	127,631	15,500
Crown Life	771	1,264,200	1,783	2,782,200	104,566	7,000
Dominion Life	603	916,295	4,075	5,563,575	165,305	28,160
Excelsior { Ord	1,661	2,197,149	5,101	7,213,474	210,434	36,549
Excelsior { Monthly	143	19,311	1,082	133,927	6,452	2,968
Federal	2,091	2,874,565	11,099	15,649,346	531,524	152,455
Great West	3,603	5,103,413	14,335	20,472,800	662,947	105,304
Home Life	926	1,093,472	3,192	3,918,553	129,438	31,250
Imperial	2,588	3,851,366	9,373	15,660,384	580,325	68,559
London Life { Ord	1,014	1,021,200	4,206	3,809,556	118,691	30,232
London Life { Indus	13,223	1,058,951	52,627	4,390,741	236,907	54,538
Manufacturers	2,364	3,379,601	22,648	29,618,775	984,577	229,573
Mutual, Canada	3,363	4,789,506	27,593	40,006,344	1,363,064	389,153
National Life	905	1,364,449	2,925	4,241,952	151,580	22,500
North American	3,036	4,420,857	22,417	31,061,948	1,116,779	368,534
Northern Life	1,085	1,202,290	3,533	4,067,204	130,469	11,650
Royal Victoria	662	788,750	3,157	4,070,472	132,773	35,200
Sovereign Life	338	633,823	586	1,257,623	61,150	7,000
Order of Foresters	325	295,850	1,144	1,026,911	19,848	7,755
Sun Life { General	4,883	6,534,166	30,810	43,562,268	1,533,646	530,690
Sun Life { Thrift	1,398	185,623	8,540	1,118,449	51,892	9,030
Union { General	334	350,973	516	483,825	12,527	3,500
Union { Industrial	29,120	4,742,145	29,805	4,574,253	110,729	16,617
Totals	81,053	$59,051,113	328,628	$364,640,166	11,959,100	$4,305,515
British Companies.						
Commercial Union	11	$45,367	232	$662,442	$20,066	$31,430
Edinburgh Life	.....	.....	58	113,954	2,219	21,255
Life Asso., Scotland	.....	.....	601	1,269,601	24,834	55,527
Liv., Lon. and Globe	.....	.....	101	158,187	5,082	16,141
London & Lancashire	578	811,780	6,068	9,717,223	333,573	190,056
London Assurance	.....	.....	5	19,220	690	7,822
N. British and Merc.	3	8,537	339	866,262	17,488	36,909
Norwich Union	.....	.....	138	166,925	3,057	10,832
Pelican & Brit. Emp.	57	265,500	2,382	5,767,708	226,024	176,745
Royal	109	279,000	460	1,176,047	35,561	74,426
Scottish Amicable	.....	.....	73	185,693	3,649	18,235
Scottish Provident	.....	.....	40	108,038	1,054	12,833
Standard	872	1,693,094	10,988	21,961,310	784,736	615,267
Star	5	6,500	237	429,107	15,481	17,103
Totals	1,635	$3,109,778	21,722	$42,601,715	$1,473,514	$1,284,581
American Companies.						
Ætna Life	849	$1,495,960	12,230	$17,071,713	$642,244	$590,618
Connecticut Mut	.....	.....	737	1,348,259	22,893	80,988
Equitable	1,613	2,769,990	11,427	23,212,696	887,642	527,502
Germania	11	28,600	115	195,899	6,503	38,873
Metropolitan { Ord	4,658	3,513,255	10,815	8,897,380	350,319	67,536
Metropolitan { Indus	78,624	10,593,661	214,069	25,761,481	870,798	163,722
Mutual, N. Y.	2,594	4,363,545	15,682	30,957,179	1,159,733	536,433
Mutual Reserve	4	17,000	3,802	5,155,493	255,372	132,617
National Life	.....	.....	90	73,977	582	5,639
New York Life	5,206	8,700,623	25,114	44,447,062	1,573,718	618,792
Northwestern Mut	.....	.....	205	248,872	5,679	9,932
Phœnix Mutual	.....	.....	553	542,354	13,950	27,800
Provident Savings	360	567,700	2,111	3,775,368	125,692	126,000
State Life	301	1,946,000	301	1,946,000	56,184	.....
Travelers	406	1,024,754	3,479	8,070,235	284,694	136,676
Union Mutual	654	934,614	4,811	7,078,779	220,897	114,254
United States	76	191,509	1,000	1,849,142	59,810	34,640
Totals	95,356	$36,145,211	306,541	$130,631,886	$6,586,710	$3,212,022
Grand Totals, 1904	178,044	98,306,102	656,891	587,873,767	19,969,324	8,802,118
" 1903	178,954	91,567,805	603,823	548,443,000	18,240,265	7,672,553
" 1902	156,380	80,552,966	541,493	508,812,305	17,077,560	6,970,113
" 1901	171,220	73,899,228	484,060	463,769,034	15,189,854	6,845,911
" 1900	107,207	68,896,092	396,240	431,069,846	15,006,941	6,532,111
" 1899	107,651	67,400,733	361,184	404,170,873	13,038,707	5,910,008
" 1898	97,479	55,348,303	320,082	369,908,865	12,017,288	4,949,650
" 1897	79,581	48,517,249	284,454	344,314,448	11,218,497	5,188,214
" 1896	73,282	42,862,489	261,259	327,730,511	10,597,076	4,700,242
" 1895	82,976	44,781,584	245,486	319,781,939	10,312,490	3,940,618
" 1894	100,499	49,263,948	241,131	308,795,881	9,911,654	3,766,886
" 1893	40,246	45,043,606	198,750	295,659,537	9,600,666	3,935,010
" 1892	39,054	44,620,013	184,448	279,110,265	9,070,354	4,084,950
" 1891	34,775	37,866,287	170,793	261,645,627	8,417,702	3,652,284
" 1890	43,640	40,605,757	161,650	248,327,052	8,167,463	3,178,902
" 1889	39,575	40,165,387	126,803	225,806,028	6,910,189	2,511,121
" 1888	36,617	41,226,529	133,668	212,423,888	6,560,218	2,398,394
" 1887	29,871	38,108,730	118,102	191,679,852	6,019,981	2,161,528
" 1886	28,275	35,171,348	104,024	171,315,696	5,195,720	1,959,795
" 1885	15,851	27,164,986	90,417	149,962,146	4,619,978	1,961,229
" 1884	12,889	23,694,341	81,536	135,714,091	4,131,202	1,518,366
" 1883	12,172	21,572,960	74,734	124,196,875	3,774,749	1,593,029
" 1882	11,451	20,455,255	69,048	115,088,078	3,544,605	1,277,675
" 1881	12,278	17,618,011	62,857	103,290,032	3,094,689	1,389,201

Fire Insurance Business in Canada in 1904.

(Compiled from a Preliminary Report by the Superintendent of Insurance.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Canadian Companies.			
Anglo-American, Toronto	$28,733,601	$428,341	$311,345
British America, Toronto	49,587,792	788,853	529,763
Canadian Fire, Winnipeg	12,687,470	294,471	156,040
Equity Fire, Toronto	15,010,117	216,202	142,503
London Mutual Fire, London	40,686,600	543,952	351,159
Mercantile Fire, Waterloo	7,053,838	102,879	112,271
Montreal-Canada, Montreal	10,211,529	171,465	87,819
Ottawa Fire, Ottawa	14,624,500	239,325	188,564
Quebec Fire, Quebec	9,272,947	135,635	142,877
Western, Toronto	65,206,272	1,011,141	558,864
Totals	$253,074,666	$3,932,264	$2,581,205
British Companies.			
Alliance, London	$23,692,229	$289,114	$556,239
Atlas, London	25,407,809	427,254	488,703
Caledonian, Edinburgh	23,058,753	341,186	368,008
Commercial Union, London	39,079,533	622,232	599,371
Guardian, London	36,958,520	632,425	446,445
Law Union and Crown, London	8,574,190	140,549	117,666
Liverpool and London and Globe	71,032,825	1,130,383	813,101
London and Lancashire Fire	22,648,704	357,480	422,806
London Assurance Corporation	13,535,825	180,293	168,649
Manchester, Manchester	8,415,813	154,260	147,537
National of Ireland, Dublin	6,072,378	115,379	70,552
North British and Mercantile	47,454,403	728,692	741,146
Northern, London	30,750,190	492,413	555,909
Norwich Union Fire, Norwich	34,175,255	567,354	454,874
Phœnix, London	53,762,736	941,030	613,373
Royal, Liverpool	86,089,613	1,294,344	1,379,588
Scottish Union and National	22,879,518	363,491	528,732
Sun, London	21,282,776	346,730	326,955
Union, London	35,071,223	583,009	405,201
Totals for 1904	$609,942,293	$9,707,618	$9,164,855
American Companies.			
Ætna, Hartford	$16,818,953	$264,163	$262,709
Connecticut Fire, Hartford	4,819,778	83,105	112,941
German-American, New York	619,445	.....	.....
Hartford Fire, Hartford	24,255,565	398,343	333,098
Home, New York	19,046,833	317,238	425,292
Insurance Co. of North America	19,772,717	289,498	302,134
Phenix, Brooklyn	15,970,041	273,350	241,826
Phœnix, Hartford	13,146,048	211,736	144,197
Queen, New York	38,679,405	659,309	542,943
Totals for 1904	$153,128,785	$2,496,742	$2,365,140
Grand Totals, 1904	$1,016,145,744	$16,136,624	$14,111,200
Comparison With Business of Previous Years.			
1903	$933,274,764	$13,840,232	$5,870,716
1902	899,684,167	10,626,552	4,158,957
1901	827,791,830	9,662,864	6,772,463
1900	803,428,654	8,331,948	7,774,293
1899	756,257,098	7,928,078	5,178,761
1898	680,651,576	7,349,669	4,784,287
1897	663,698,309	7,157,661	4,701,833
1896	667,514,384	7,079,794	4,157,154
1895	667,639,048	6,943,382	4,993,750
1894	653,589,428	6,711,369	4,591,146
1893	687,553,689	6,783,013	5,010,092
1892	714,603,086	6,715,471	4,349,080
1891	623,418,422	6,172,045	3,911,346
1880 to 1890	5,537,912,103	52,693,037	31,818,444

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 63.8. The percentage in 1904 was 87.6.

(Continued from page 449.)

add that while assessment societies and fraternal organizations require the constant addition of new risks to meet their obligations on old ones, the Equitable, like all of the "old line companies," could meet in full all of its maturing policies, even if it never wrote another dollar of insurance.

The investigating committee, commencing Monday, May 1, will hold daily sessions until its work is completed.

(Signed) H. C. Frick,
Chairman.

President Alexander, in a letter to Vice President Hyde, resigned as one of the trustees of the majority of the stock of the company. In reply Mr. Hyde on Thursday declined to accede to the resignation, on account of the proceedings in court to depose Mr. Alexander from the trusteeship.

Justice Bischoff, in the Supreme Court on Wednesday, signed an order directing James H. Hyde, James W. Alexander and Gage E. Tarbell to appear before him in Special Term, Part II, of the Supreme Court, at 10:30 o'clock on May 11, to be examined in the Tull proceedings.

There were various proceedings in the courts during the week concerning the several suits in progress, but all were of a tentative character.

The executive committee of the National Convention of Insurance Department Commissioners assembled in New York this week to consider the Equitable situation. The members present were: Commissioners Cutting, of Massachusetts; Folk, of Tennessee; Prewitt, of Kentucky; Linehan, of New Hampshire, and Host, of Wisconsin. After a two days' conference and a talk with Superintendent Hendricks, the decision was reached to make no separate examination, and to rely upon that now being conducted by the New York Insurance Department. The visiting commissioners called on the officers of the company while here and reported that they were received with every possible courtesy, and offered every facility they might desire to ascertain the condition of the company and the various questions involved in the present controversy.

Answer of the Hartford Fire Insurance Company in the Arkansas Anti-Trust Case.

(Little Rock Gazette, April 28.)

J. W. House, attorney for the Hartford Fire insurance company, yesterday filed the company's answer in the Circuit Court in one of the anti-trust suits brought by the State. In its answer the company attacks the constitutionality of the law, declaring that its provisions are in violation of both the Constitution of Arkansas and the United States.

The company declares that it entered into no combination in this State to fix rates anywhere, and that it entered into no combination anywhere to fix rates in this State, and that it has therefore not incurred any penalty under the statute nor forfeited its right to do business in the State.

In the answer the company declares that it is not and was not a member of or a party to any pool, trust agreement, combination, confederation or understanding made and entered into in the State to regulate or fix the price or premium to be paid for insuring property anywhere, and that it is not and was not a member of such pool, trust or combination made and entered into in this State to fix or regulate the price or premium to be paid for insuring property in this State. It declares further that it is not and was not a member of such pool, trust or combination made and entered into elsewhere to fix or regulate the price or premium to be paid for insuring property in this State. It is declared that the defendant is advised that by reason of its acts it has not incurred any penalty under the statute nor forfeited the right to do business in this State.

The constitutionality of the anti-trust law is attacked in the following paragraph:

"The defendant is advised that the aforesaid act of the General Assembly in so far as it seeks to forfeit the defendant's right to continue to transact and conduct its aforesaid business in said State, because it is, or was, while transacting or conducting such business, a member of or party to a pool, combination, confederation or understanding with other insurance companies, made elsewhere than in said State and not intended to affect and not in any wise affecting the rates or prices charged by it for insurance in said State, or because it transacted or conducted such business therein while such member or party as aforesaid, as a penalty of the alleged violation of the provisions of said act of the General Assembly, is a violation of the constitution of the State of Arkansas and illegal and void."

It is further declared that the defendant is advised that so much of the act as seeks to exclude the defendant from the privilege to do business in the State by reason of alleged membership in a pool, trust or combination, made outside the State, and not affecting the rates to be charged in the State, is an unreasonable, burdensome and illegal restriction upon the right of the defendant to do business in the State, and is in violation of the obligations and undertakings of the State, and contrary to the provisions of Section 10, Arti-

cle 1, of the Constitution of the United States, as well as the provisions of Section 1, Article 14, of the amendments to the Constitution of the United States.

Section 10, Article 1, of the Constitution of the United States, of which the anti-trust law is alleged to be in violation, provides among other things that no State shall pass any law impairing the obligation of contracts.

Section 1, Article 1, of the amendments to the Constitution of the United States, which is also cited in the answer, is as follows:

"All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty or property, without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws."

President Evans, of the Continental, Explodes a New York Times Delusion.

President Henry Evans, of the Continental insurance company, has written the following letter to the assistant business manager of the *New York Times:*

NEW YORK, May 3, 1905.

DEAR MR. WILEY—I have read the editorial in the *Times* of April 30, which you so kindly sent me, and while I despair of ever being able to make your editor understand the workings of the insurance business, I would like to have you say to him for me as follows:

Fire insurance companies cannot say that "they will not write risks in which the owner and tenant have not co-operated in doing all in their power to reduce the fire hazard." We are to some extent like the railroads or express companies; we must, within reason, give the public the indemnity we are created to furnish. Our rates are based on conditions, and our charges are predicated upon our experience tables, and while I do not claim that our methods are perfect, I do claim and will maintain and prove that "the property owner who seeks the highest obtainable standards in fireproof construction" is *not* "penalized to make good the losses of those who are indifferent, whether their buildings burn or not." As a matter of fact fireproof office buildings, which includes such buildings as the Times Building, have not yielded a profit, but a loss, to my company, and no doubt to all companies.

The Continental is considered one of the most successful fire insurance companies in existence. From 1889 to 1904, both inclusive, our written premium amounted to $60,766,203, and our earned profit—that is, the excess of earned premium over losses and expenses incurred—was but $2,328,134, or less than 4 per cent. of the written premium. The large profit has come from the handling of our funds; that is, from our banking and investment departments—our investments have been shrewdly made.

You cannot hope to tell us how to run our business any more than I would presume to tell you how to conduct yours. If we should follow the suggestions contained in your editorial we would work hardship to many innocent persons, owners and occupants of buildings constructed years ago, when they were considered types of good construction, and are now, because of improved methods, "fire traps." We charge for the hazard as we find it, and our charge, being built up of many individual charges (see schedule enclosed), shows the property owner how he can improve his risk and get a lower rate.

This system of rating and the work that the National Board of Fire Underwriters is doing in reporting on conditions from a fire standpoint in our cities, and in framing and distributing a model building law, are educating the public, and, in time, our terrible fire waste will be reduced, but it cannot be accomplished by such drastic action as you advocate in the editorial in your issue of April 30.

Yours truly, HENRY EVANS.

Louis Wiley, Esq., *New York Times,* New York.

Saved By the Scissors.

WORKMEN'S INSURANCE IN GERMANY.

Germany, from the time of the confederation of the states into one great empire, has been confronted with the problem of bettering the condition of the working classes. The insurance idea is declared to have in a large measure effected the desired end. The Government having evolved the scheme and worked out all the details of its enforcement gave its unqualified protection and guaranteed to every insured person perfectly legal claims for any and all indemnities.

Today all classes of people testify to the efficacy of its results. It has proved to be the wage earner's friend and protector and a source of strength to the state.

Its advocates declare that the laws are based on the purest and noblest principles of humanity, and that since their enactment there has been a steady advance in the conditions of life of the workmen, thus strengthening and supporting the social peace of the empire.

The claim is made that compulsory insurance not only makes the workmen of Germany happier, more frugal and productive, but that it has resulted in more effective legislation in the interests of the health of the masses and better care for their individual wants and necessities.

However convincing may be the arguments used in the pamphlets filed by the German kingdom at St. Louis, it is hardly probable that in a republican government, with entirely different institutions and methods, there can be successfully advocated any such arbitrary legislation as that of progressive Germany. That the experiment has resulted in a success even beyond that dreamed of by its originators there is little, if any, doubt. But at least there is to us of this republic a lesson from them well worth the learning. It is that with the general patronage by wage earners of insurance institutions there come content and happiness, and independence and increased productive ability. While we may not at any early date have compulsory legislation on this subject or government responsibility therefor, we may rely upon addresses to the intelligence and business prudence of the masses and confidently expect them to do that without legislation which the most unenlightened can understand is for his benefit.

The sound insurance companies of the United States need no guarantee from the state. They have shown in every instance that the funds entrusted to them have been ably handled, honestly administered and faithfully distributed. They cover every character of insurable risk, and the simple laws of competition are the best guarantee of lowest cost to insurers. They comprehend the desires of all classes, rich and poor, of both sexes, and their books are always open to the authorities of each and every State in the Union. The day will come—is fast coming—when the workmen of America, without compulsory laws, will benefit equally at least with their brethren of the German empire, and enjoy equally the blessings of insurance protection.—*The Provident Savings.*

DON'TS.

Don't—wear out your welcome in an interview.

Be thou familiar, but by no means vulgar.—Hamlet.

Don't—hunt up competition, but don't run from it.

Beware
Of entrance to a quarrel; but being in
Bear't that the opposed may beware of thee.—Hamlet.

Don't—put off taking insurance.

Defer not till tomorrow to be wise,
Tomorrow's sun to thee may never rise.—Congreve.

Don't—forget that neatness and good taste in dress should be a part of the solicitor's equipment.

Costly thy habit as thy purse can buy,
But not express'd in fancy; rich, not gaudy;
For the apparel oft proclaims the man.—Hamlet.

Don't—have too many "irons in the fire" at once. Have a single definite purpose. An application in your pocket is worth twenty in your mind.

The man who seeks one thing in life, and but one,
May hope to achieve it before life is done;
But he who seeks all things, wherever he goes,
Only reaps from the hopes which around him he sows,
A harvest of barren regrets.—Lucille.

—*Little Sister of the News.*

LIFE INSURANCE.

Thou hast diminished the element of chance in the rewards of industry, and thereby strengthened the foundations of civilization.

Thou hast distributed the weight of death's blows, which, before thine advent, crushed individuals and families. By

thy prudential plans their force is thrown on the multitude of thy believers and is easily borne.

Fate no longer wreaks its revenge on the dependent families of thine adherents, but only on those who scorn thee.

By the law of thy nativity the weakness of the many becomes thy might. Thine unseen hosts protect the homes of those who believe in thy promises.

He who regards not thy teachings has reckoned neither the value of life nor its uncertainty.

Thine advocates have been instant in thy cause. They have met with tact, energy, perseverance and courtesy, the whims, caprices, hobbies, obstinacy, indifference and procrastination of hundreds of thousands of persons who now own thee, and in whom thy principles of thrift and protection have been inculcated. All honor to them! and

May they remember that there still is good
Left undone for thine advocates to do—
Still some aim for the heart and will
Of thy disciples to pursue.

—*The Pelican.*

"SAFE AS A NATIONAL BANK NOTE."

The Inter-State Life

ASSURANCE COMPANY,

INDIANAPOLIS, IND.

CHARLES A. SUDLOW, President. F. P. DAVENPORT, Secretary.

EASTERN DEPARTMENT: 621 Walnut Street, PHILADELPHIA.

H. E. ROBERTS, Second Vice-President.

C. H. Bunker, President. Franklin H. Head, Vice-President.
A. A. Smith, Secretary, H. G. B. Alexander, 2d Vice-Pres. and Gen. Mgr.

Continental Casualty Company

POLICIES ARE PROTECTED by more than ONE MILLION DOLLARS ASSETS.

Capital Stock, $300,000.00

Accident and Health Insurance

General Offices, Chicago.

OVER FIVE MILLION DOLLARS paid in claims to 175,000 of our POLICYHOLDERS.

GOOD CONTRACTS IN GOOD TERRITORY TO GOOD MEN

Producers, address H. G. B. Alexander, 2d Vice-Pres. and Gen. Mgr. 134 Monroe Street, Chicago.

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $6,791,185.19. Net Surplus, $1,686,230.47.
Losses Paid to December 31, 1904, $19,655,793.02.

Fidelity Bonds, Employers' Liability, Personal, Accident, Health, Steam Boiler, Plate Glass, Burglary, Flywheel and Bonded List.

OFFICERS:

GEORGE F. SEWARD, President,
ROBERT J. HILLAS, Vice-President-Secretary.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.
GEORGE W. ALLEN, Third Assistant Secretary.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

1851 Phoenix Mutual Life Insurance Company 1904

OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance.

The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.

JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

BRITISH AMERICAN ASSURANCE CO., INCORPORATED 1833.

FIRE AND MARINE. Head Office: TORONTO, CANADA.

UNITED STATES BRANCH.

JANUARY 1, 1905.

Assets	$1,428,610.75
Liabilities	1,030,923.14
Net Surplus	$397,687.61

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1904 ..... $11,290,773.87

LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President.
GREVILLE E. FRYER, Secretary and Treasurer.
HENRY W. FARNUM, Marine Secretary.
EUGENE L. ELLISON, Vice-President.
BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,

16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock Paid in Cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

One Million Dollars Surplus to Policyholders

UNITED STATES CASUALTY COMPANY

141 Broadway, New York

WANTS AGENTS IN SMALL TOWNS

as well as in large ones

BEST ACCIDENT and HEALTH **INSURANCE** IN THE WORLD

Secretary & General Manager

SUCCESSFUL LIFE INSURANCE MEN

wishing to secure a first-class contract with a continuous renewal interest should communicate with

Security Mutual Life Insurance Co.

BINGHAMTON, N. Y.

CHAS. M. TURNER, President.

New policy forms with special features very attractive to prospective insurers.

FOR FULL PARTICULARS ADDRESS

A. B. HOWE, Assistant General Manager.

THE AMERICAN FIRE INSURANCE COMPANY,

OFFICE COMPANY'S BUILDING. 308 and 310 Walnut St., Philadelphia.

A.D. 1810

CASH CAPITAL	$500,000.00
Reserve for Reinsurance and all other claims	1,978,814.57
Surplus over all Liabilities	354,025.78

TOTAL ASSETS, JAN. 1, 1904, $2,832,840.35

THOS. H. MONTGOMERY, *President.*
JOHN H. PACKARD, Jr., *Vice-Pres. and Sec'y.*
WM. F. WILLIAMS, *Treas. and Asst. Sec'y.*
WM. B. KELLY, *Gen'l Mgr.*

DIRECTORS.

Thomas H. Montgomery.	Charles S. Whelen.	Edward Lowber Welsh.
Israel Morris.	Edward F. Beale.	Archibald R. Montgomery
Joseph E. Gillingham.	John S. Gerhard.	John H. Packard, Jr.

How's Your Backbone? Can You Stand Alone?

Agents who can answer "strong" and "yes" to the above questions, and who want to be advanced more than they want advances, can secure splendid contracts with liberal renewal commission guarantees from the

Security Trust and Life Insurance Co.

BROADWAY and 26th STREET, NEW YORK.

Hon. R. E. PATTISON, President.
Hon. GEO. B. LUPER, 2d Vice-President and General Manager.

ADDRESS FOR TERMS

Moore Sanborn, 4th Vice-President and Manager of Agencies.

"The Leading Fire Insurance Company of America."

ÆTNA INSURANCE CO. HARTFORD, CONN.

Incorporated 1819. Charter Perpetual.

Cash Capital,	$4,000,000.00
Cash Assets,	15,814,054.98
Total Liabilities,	5,367,203.89
Net Surplus,	6,446,851.09
Surplus as to Policyholders,	10,446,851.09
Losses Paid in 86 Years,	99,899,109.49

WM. B. CLARK, President.
W. H. KING, Secretary.
A. C. ADAMS, HENRY E. REES, } Assistant
C. J. IRVIN, A. N. WILLIAMS, } Secretaries.

WESTERN BRANCH, Traction Building, Cincinnati, Ohio.
KEELER & GALLAGHER, General Agents.

NORTHWESTERN BRANCH, Omaha, Neb.
WM. H. WYMAN, Gen. Agent. W. P. HARFORD, Ass't Gen. Agent.

PACIFIC BRANCH, San Francisco, Cal.
BOARDMAN & SPENCER, General Agents.

INLAND MARINE DEPARTMENT,
CHICAGO, 145 La Salle St. NEW YORK, 50 and 52 Pine St.
BOSTON, 137 Milk St. PHILADELPHIA, 226 Walnut St.

Forty-fifth Year

HOME LIFE

INSURANCE COMPANY OF NEW YORK,

GEORGE E. IDE, President.

Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus,	1,134,104.25	1,362,315.56
Insurance in Force,		74,892,289.00

THE COLUMBIAN NATIONAL LIFE INSURANCE CO.,

BOSTON, MASS.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

Established 1782.

Phoenix Assurance Company, Ltd.,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.
Head Office for the United States, 47 Cedar St., N. Y.
A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, JR., Sec.

INCORPORATED 1851.

The Berkshire Life Insurance Company,

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.
JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Secy.
Agencies in all the principal cities of the United States.

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y.

Telephone: 3894 John.

FORTY-FOURTH YEAR.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company
OF NEW YORK.

WHAT is the use of saying
"The best company,"
or "The strongest company,"
or "The largest company"?
They all say these things.

WE SIMPLY SAY . . .

THE PENN MUTUAL LIFE Insurance Company

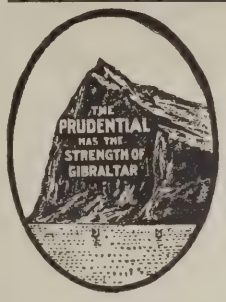
OF PHILADELPHIA.

Organized 1847.

THAT TELLS THE WHOLE STORY.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.
Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men. The Grand Prize was awarded the Prudential at the St. Louis Exposition.

THE METROPOLITAN PLATE GLASS AND CASUALTY INSURANCE COMPANY OF NEW YORK.

Home Office: 47 Cedar St.

Chartered 1874. The Oldest New York Company in Its Line.
Assets, January 1, 1904, $591,813.08.
Surplus to Policyholders, 389,895.29.

Plate Glass and Personal Accident Policies

OF THE MOST APPROVED FORMS

EUGENE H. WINSLOW, President, DANIEL D. WHITNEY, Vice-Pres't.
S. WM. BURTON, Secretary. ALONZO G. BROOKS, Ass't Sec'y.

RELIABLE AND ENERGETIC AGENTS WANTED.

THERE IS

Always a Good Opportunity for a

Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK.

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT.

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents,

32 NASSAU STREET, NEW YORK CITY.

Men of Character are attracted to the Agency Force of the Northwestern

Because the Northwestern accepts business only from regular agents of the Company:

Because Northwestern policies command 100 cents on the dollar. Rebating has been prohibited since 1893.

Northwestern commissions are for Northwestern agents.

Best Results to Policy-Holders.

Most Attractive Policies.

Issues Partnership and Corporation Insurance.

For further information or an Agency, address:

H. F. NORRIS,
Superintendent of Agencies.

. . . . . The . . . . .

Northwestern

Mutual Life Insurance Co. of Milwaukee. . . . . .

H. L. PALMER, President. J. W. SKINNER, Secretary.
Organized 1857.

GROWTH OF COMPANY.

Year.	Insurance in Force.
1865	$ 11,217,155
1885	98,793,982
1905	708,552,287

Business of 1904 largest in history of Company.

Purely Mutual, and transacts business only in the United States.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

1846—1905.

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353,488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

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Entered at the New York, N. Y., Post Office as second class matter.

ONE other contention of Mr. Ralph W. Breckenridge in his Yale lecture advocating national supervision deserves notice. With the observation that "the leading State insurance commissioners earnestly favor Federal supervision of interstate insurance" he quotes for corroboration the views of four eminent officials, one of them being ex-Commissioner Fricke of Wisconsin, who has spoken for a qualified supervision to be attained by the gradual consent of the States. If it were true that any numerically important part of the State official body was for national supervision, the difficulty to which we alluded last week —the unwillingness of the people of the several States to permit their representatives in Congress to vote away their right to tax and inquire into the solvency of foreign insurance companies transacting business within their boundaries—might be overcome. For as the commissioners are close to the ears of their constituents their opinions would carry considerable weight. Unfortunately for Mr. Breckenridge's claim, which without question is made in good faith, the records do not show that State insurance commissioners, or even leading commissioners, as a rule favor Federal supervision. If he had read the paper prepared by the late John A. Finch, of Indiana, and published in Dr. Fricke's "Insurance, A Text Book," he would have learned that of forty to fifty commissioners and ex-commissioners who were canvassed for their views but seven answered in favor of national jurisdiction. If there has been a change of faith since then it has appeared only in the instances cited by the Yale lecturer. So far as we know Mr. Breckenridge can easily get at the facts by following Mr. Finch's method of investigation.

THE insurance tax question in Texas appears to have arrived at an acute stage. In striving by various bills to pluck the companies the legislators got the situation so mixed up that sufferers at a distance have been in a quandary as to what it all meant. Early in the regular session, which was adjourned two weeks ago, a law was passed requiring corporations doing business in the State to pay a franchise tax on their authorized capital and surplus, but insurance companies were exempted. Meanwhile a bill advancing the old tax on gross premium receipts in the State was making its way through the committees. Although the proposed new tax was heavy Mr. Bowser had doubts if it was heavy enough, considering the susceptibility of the insurance companies to attack, and introduced a rider to the premium tax bill, which provided "that all insurance companies affected by this act shall pay the same franchise tax levied by existing law upon other corporations of like capital stock, surplus and undivided profit." In other words the companies were made to pay the franchise tax, as well as the tax on their gross premiums, and in this form the bill became a law. As the law is clearly unconstitutional on several grounds, particularly that found in the Federal and State constitutions requiring that all taxes shall be uniform, forty-three companies affected applied to the courts for an order restraining the State from enforcing the act, a temporary stay was obtained, and the case will go to the Supreme Court within sixty days for adjudication. Now comes the Legislature in special session, and one of the subjects mentioned in his call by the Governor is the circumvention of the courts by reconstructing the defective law against which the companies protest. The new bill, says a Dallas despatch, will "rub it in" to the companies by increasing the tax fifty per cent. on account of their "indecent haste" in applying to the courts. Considering the fact that the act, with its franchise rider, was to take effect May 1, with a penal clause of twenty-five per cent. for neglect to comply, it would be hard to define what "decent" haste can be from a Texan legislator's point of view. It is quite possible to agree with the observation of our Houston contemporary, *Texas Insurance*, that "the entire subject of insurance is not only misunderstood but not grasped at all" by these representatives of an equally uninformed people. "They don't seem to care even to inform themselves." The courts will have to counteract the effects of their ignorance.

THE adjournment of the Legislature of this State without putting into law the many measures conceived in hostility to the insurance interests relieves a very considerable tension, for, considering the temper of some of the leading members and the influence of the unrest caused by the Equitable Life affair, there was cause for apprehension that anything vicious might occur. It was mainly to the conservatism of the insurance committees and the knowledge that the Governor was opposed to extreme legislation, that the suppression of the annual insurance baiter was due. The revenue needs of the State led to the passage of one objectionable tax bill: that making retroactive the franchise tax on gross premiums, which the Court of Appeals upset last year, but the other tax bill by Mr. Foley, affecting the unearned premiums of fire and casualty insurance companies, was left in committee. All the legislation growing out of the troubles of the Equitable Life—some seven bills and resolutions in all—covering the Brackett bills to retire the company's stock, requiring life companies to file lists of their policyholders with amounts of their policies with the Insurance Superintendent, and giving policyholders the right to institute suits without the intervention of the Attorney General, the Leggett proxy voting bill, the Foelker and Marks bills to enforce the annual distribution of surplus, and the Palmer resolution for a joint legislative examination of the Equitable Life, was swept away. The Ambler anti-compact bill died in committee and the two fool bills by Tenjost and Riordan, one prohibiting fire insurance com-

panies from charging any greater premiums in the State than now obtain, and the other requiring insurance periodicals to possess $200,000 capital each, were never seriously considered, although the last slipped through the Senate committee by inattention. Among other insurance bills lost were those of Senator Grady forbidding companies to invest in or loan upon their own stock or that of companies in a like kind of business, Senator Riordan exacting deposits of $50,000 from surplus line companies and the licensing of their agents, and Assemblyman Tompkins regulating the valuation of life policies. On the other hand the successful legislation, with the exception of the retroactive tax law and the acts allowing fire companies to pay dividends in excess of ten per cent. and regulating Lloyds, was not very important. Liability, casualty and credit insurance companies received some attention. The fire insurance companies, as well as other consumers of water, are helped by the passage of the Agnew State Water Commission bill and the Tompkins bill providing for a commission to be appointed by the mayor to regulate the water supply system of the city of New York. We believe that this comprises a pretty close summary of the insurance legislation of the session. Reference is directed to our legislative news columns.

Facts and Opinions.

The arrest of an old time convict, Sam Lobley, alias William Daly, Tuesday at Stroudsburg, Pa., brought to light a very clever and dangerous swindle, by which the **Equitable Life** Assurance Society was **defrauded of $27,000** within the past year. On Wednesday night his accomplice, Emil Neumer, twenty-one years old, a clerk in the employ of the society, was arrested, as was also Thomas H. Lobley, Jr., a nephew of the ex-convict, who was an acquaintance of Neumer. Neumer and young Lobley met through their connection with Holy Trinity Sunday school in East Eighty-eighth street, where Neumer taught a class. The story goes that Neumer, who was on a small salary, was taken up by Lobley and his nephew and introduced to the delights of poker, following the ponies and other forms of high life. When the old man gained the confidence of the young clerk and many I. O. U.'s he put on the screws, it is stated, and suggested "borrowing" one of the Equitable policies, on which loans had been made, to which Neumer had access. This the clerk did, erasing the record from his books with acids. Forged application was then made by Lobley, under the signature of the owner of the policy. When the check was made out Neumer took it from the mail basket and turned it over to the old man, who cashed it easily. This was done in August last, to the tune of $27,000, on a $50,000 policy belonging to William C. Cotton, of Brookline, Mass. In January of this year they tried it again, but the cashier of the bank to which the check was taken was suspicious and notified the company that something was wrong. Lobley left town suddenly, but Neumer stayed on with the company, evidently thinking no suspicion would attach to him, as the policy had been replaced. Pinkerton detectives followed Lobley and landed him on Tuesday. The society meanwhile made a quiet investigation and arrested Neumer the next day. Both were held in $10,000 bail for examination, as was also the younger Lobley, who claims to have received no part of the booty and apparently acted simply as a go-between.

Western field men are very much **aroused** over the arrest of sixteen of their number at Clinton, Ia., where they were holding a joint session with the local agents. Warrants were sworn out by the county attorney, charging them with conspiracy, the meeting was raided and the specials marched to the station like common gambling house frequenters. The specials gave bonds of $500 each to appear at the September term of court, if indictments are found against them. For some time the Iowa field men have been organizing local boards in the larger towns, and formed one in Clinton some weeks ago. D. Hollowell, the agent who was compelled by the Iowa courts recently to pay a loss under wildcat policies placed by him, which the companies refused to pay, would not co-operate. In consequence his companies, which included the German National, the State of Illinois, the Northwestern Fire and Marine and one or two others, withdrew from his agency because of generally unsatisfactory conditions. Hollowell is presumed to have stirred up the litigation. The warrant charges the specials with "unlawfully becoming members of a pool and agreement to control, regulate and fix the price of a commodity, to wit, fire insurance, in Clinton." Insurance men hold the Supreme Court of the United States has declared that insurance is not a commodity. On the other hand it is claimed that the Iowa Supreme Court, in a previous case, held that insurance could be considered a commodity within the meaning of the anti-trust statute. After the specials were released on bail they resumed the meeting and completed the work they had laid out, the local agents agreeing to continue their organization as heretofore. The local board and the field men do not make rates, advisory rates being furnished by the Bennett rating agency at Cedar Rapids.

An admirable essay on the historical side of **"Fire Insurance in the United States"** was read by Mr. F. C. Oviatt, of the Philadelphia *Intelligencer,* before the Wharton School of Commerce and Finance of the University of Pennsylvania on April 27. The writer sketched fire insurance from its feeble beginning in Philadelphia in 1752 to its present enormous development, touching incidentally by the way on insurance legislation, the mutual wave, the organization of rate making bodies and the genesis of the policy form. In summing up his interesting subject Mr. Oviatt said:

From these historical notes you will, no doubt, before this have noted the very great advance from the period when trees were not permitted in front of insured property to the present. The evolution has been fragmentary, and not altogether in an orderly manner, but it has been a steady evolution all the same. Starting in ignorance of method, only having an object in view, the business of insurance has gradually reached out and found its footing becoming more secure. The managers have noted where the relations of the business demanded changes; conflagrations have brought home to them certain truths, and when a form of organization or a method of doing business has broken down, men had been found to step out and try something new; generally, an advance over that which had been given up. These men had first in their minds the idea that the sole business of fire insurance was not simply to pay losses. The evolution has been naturally gradual up to the point where the skilled and capable underwriter recognizes that his business, being a part of public progress, should subserve the public interest by preventing fires. Therefore he has made concessions in rates for the man who will take the extra precautions in the line of building and fire prevention. His horizon has broadened, and he sees that fire fighting and construction are closely related in the prosperity of his business. He has learned but slowly, it is true, but nevertheless he has learned that what the public desires above everything else is certainty, and while he has grumbled many times at the intervention of the State in his business, today he recognizes that intervention as a rule made for the certainty which both he and the assured desire. There are many incidents and events in the century and a half of insurance in this country which might have been wisely different, but taken as a whole it has been a sound and progressive development, comparing favorably with that of any other line of business.

The slight interest manifested at the hearing last week on a petition for the **investigation of steam boilers in Massachusetts,** which sidetracked all the proposed legislation to that end, infused new energy into those who want to see something done. As a result the Senate, under a suspension

of the rules, on Monday last admitted the following bill, offered by Senator Peters, which is believed to have the support of Governor Douglas, and was referred to the committee on mercantile affairs:

Sec. 1. All steam boilers operated at a pressure of 15 pounds, except boilers in locomotives, private residences, or under the jurisdiction of the United States, shall be inspected either by the State police or by an insurance company. Such inspection shall be made internally not less than once in each year, and externally not less than four times in each year. The owner or user of such boiler shall pay to the inspector, when inspected internally by the State police, the sum of $5 at each internal inspection for every boiler so inspected.

Sec. 2. Every insurance company shall forward to the chief of the district police promptly a report of each boiler inspected, which report shall contain any recommendation that the insurance company may think it desirable to make. Notice shall be given by the inspector to each owner or user of the boiler inspected of the pressure at which that boiler may safely be operated.

Sec. 3. Any insurance company failing to make a report as above provided shall be fined not more than $500 for such an omission. Any owner failing to comply with the requirements of said insurance company shall, after notice by the chief of the State police, be liable to a fine of not more than $500 for such failure, and the use of said boiler may be enjoined in the manner provided in Section 4 of Chapter 105 of the Revised Laws.

Sec. 4. The State Board of Police shall make such regulations as to the use of boilers of the lap seam type as to it may seem best, and the use of any boiler which fails to comply with such regulations may be enjoined in the manner provided above.

Sec. 5. All acts and parts of acts inconsistent herewith are hereby repealed.

When the first edition of **"Examination for Life Insurance"** made its appearance we gave the book an extended review. The success which we predicted for a reference work of this kind has evidently been enjoyed, for the author, Dr. Charles Lyman Greene, of St. Paul, who has just resigned as medical director of the Minnesota Mutual Life insurance company, announces in the preface to the second edition that "pressure of professional work has made it impossible to issue this volume at an earlier date, and the author regrets that it should have been out of print for more than two years." This would seem to indicate that the examining physicians throughout the country have realized the importance of the book, and the valuable aid and assistance which it renders to the medical officer before whom the applicant for insurance presents himself. Dr. Greene's book is a valuable and necessary adjunct to the university training and experience derived from the ordinary practice of every physician. The second edition contains a valuable chapter on the "Collective Investigations of the Actuarial Society of America." The large number of charts (both black and white and colored) furnish graphic representations of the points developed in the text. It is published by P. Blakiston's Son & Co., Philadelphia.

The following **nominations** for the coming election of officers are now before the New York Board of Fire Underwriters: President, Benoni Lockwood; vice president, W. W. Underhill; secretary, Alfred M. Thorburn; assistant secretary, Frederick V. Price, and treasurer, Lindley Murray, Jr.; committee on finance, F. O. Affeld, M. S. Driggs, Henry W. Eaton, Geo. B. Edwards, Henry Evans, John M. Whiton and Alexander H. Wray; committee on fire patrol, M. J. Ennis, A. G. McIlwaine, Jr., Wm. B. Ogden, F. V. Price, Hugo Schumann, E. G. Snow and A. M. Thorburn; committee on laws and legislation, Chas. L. Case, E. H. A. Correa, Henry H. Hall, W. E. Hutchins, Wm. N. Kremer, E. G. Richards and C. F. Shallcross; committee on losses and adjustments, Geo. W. Babb, Louis P. Bayard, M. O. Brown, J. Montgomery Hare, Harold Herrick, J. G. Hilliard, George W. Hoyt, Wm. N. Kremer, Lindley Murray, Jr., John M. Talbot and S. R. Weed; committee on surveys, Geo. W. Burchell, Howard Hampton, Frank Lock, E. E. Pearce, W. L. Perrin, F. H. Way and H. F. G. Wey; committee on electricity, Jas. A. Alexander, Chas. A. Hull, Geo. Ingraham, A. D. Irving, C. H. Post, Chas. A. Shaw and F. T. Stinson.

At Wednesday's meeting of the New York Fire Insurance Exchange it was voted to require the coinsurance clause hereafter on all household furniture policies covering in the jurisdiction of the body. **Rates in Jersey City, Hoboken and Bayonne** were also **raised** on account of serious deficiencies in those cities. Jersey City and Hoboken do not have sufficient water pressure, and the building laws and electrical regulations are not properly enforced. A conflagration hazard exists in both places. Bayonne has a poor water supply and a deficient volunteer fire department, in addition to many unpaved streets. Flat rates and minimum rates in Bayonne were therefore advanced 50 per cent., representing 15 per cent. each for water and fire department deficiencies. This is subject, however, to a 25 per cent. deduction for the 80 per cent. coinsurance clause and 32½ per cent. for the full coinsurance clause. This deduction does not apply to rates on household furniture. Jersey City and Hoboken flat and minimum rates were advanced 30 per cent. under the same conditions. Sprinklered risks and special hazards are, however, not affected by the advance.

"A **Heart to Heart Talk with Equitable Policyholders** in Maine" is the title of a letter issued by E. H. Hazelton, in his capacity as a policyholder, who is general agent of that company at Portland, and comprising a resume of pertinent facts as to the mutuality and soundness of the Equitable and admonitions to stand firmly by it. "This passing from a stock company conducted on the mutual plan," remarks Mr. Hazelton, "to a mutual company conducted by a board of directors elected by the policyholders is, as we interpret the situation, the bone of contention. All other reports of proceedings in the courts and out—of which you read—are solely the outgrowth of this specific issue. Notwithstanding the regrettable publicity, and without personally taking issue with anyone, it is my sincere and deliberate judgment that in the end this agitation will prove to be to our supreme interest as policyholders."

Representing the **Western tornado conference,** C. R. Tuttle, of the Continental; J. C. Harding, of the Springfield, and W. N. Johnson, of the Insurance Company of North America, went to New York during the week for a conference with the committee preparing a uniform policy for the Eastern territory. It is desired to reconcile any differences in the two forms prepared by the committees, so as to secure practical uniformity over the entire country. The Eastern form is the longer of the two, while the Western form is longer than the first draft. There are several features in the Eastern form to which the Western members feel that it is impossible for them to consent, owing to the peculiar conditions of business in the West, but it is held that these can be removed without seriously affecting Eastern conditions, and that practical uniformity will then be secured.

A **new general agency** will be opened in Boston on June 1 **by Henry J. Ide,** who has engaged offices on the second floor of 30 Kilby street and will be the New England representative—excepting Providence—of the American of Newark, the Albany and another company—probably the Western of Pittsburgh. Following the withdrawal of Mr. Ide the firm of Simpson & Ide will change its style to Simpson, Cram & Co. on June 1, being composed of James Simpson, George A. Cram and William Levis, representing as New England managers the American Central, the Mercantile Fire and Marine, and locally the Hamburg Bremen. The style of Simpson, Ide & Co., local agents of the American

Central and the Mercantile, will be changed to James Simpson & Co., composed of James Simpson, C. I. Robertson, C. H. J. Kimball and E. Nixon.

The **New York Fire Insurance Exchange** has announced the following changes in the various standing committees: F. H. Crum, of the North River, is succeeded in the arbitration committee by C. A. Garthwaite, of the Stuyvesant insurance company; F. A. Shaw, of the Assurance Company of America, has resigned from the arbitration committee and is succeeded by Lindley Murray, Jr., of the Empire City Fire; E. F. Schleyer, of the Norwich Union, is succeeded by A. D. Irving, Jr., of the Phœnix Assurance Company, on the brokerage committee; C. F. Shallcross, of the Royal, is succeeded by A. H. Wray, of the Commercial Union, on the executive committee; W. H. Paulison, of the Globe and Rutgers, is succeeded by H. J. Ferris, of the Home, on the rate committee.

Knoxville (Tenn.) merchants were notified Monday that the Tennessee-Kentucky Board of Fire Underwriters had acted in regard to the **pink slip** which is attached to business district policies. The board decided to reduce the slip rate on three story buildings and under from 20 to 25 per cent., and on buildings higher than three stories a reduction of from 50 to 40 per cent. is made. The board recommended a 20 inch water main on the principal business street and the installation of a new 6,000,000 gallon pump at the water station, it having been shown during the recent test that when all the fire engines were at work at high pressure the water in the standpipe was reduced 17 feet, although the pumps at the station were run at the full capacity.

The annual convention of the **Georgia Local Underwriters' Association** was held at Columbus, Ga., on Thursday and Friday. On the afternoon of the first day they were taken on a trolley ride by the local agents and visited various mills, power plants and other points of interest, the ride ending at Wildwood Park. There, at 7:30 p. m., Mr. Chas. Dillingham, State agent of the American Central insurance company of St. Louis, Mo., was the host at an elaborate luncheon, after which the party returned to the city. On the second day the Georgia Home insurance company arranged for a boat ride down the river in the afternoon.

The **Peconic Bank of Sag Harbor,** N. Y., closed its doors Monday, May 1, 1905, by reason of the default of Francis H. Palmer, cashier, in the sum of $41,000. Palmer turned over his property to the bank, amounting to about $20,000, and the directors in considering the situation decided to resume if the amount of the bond of the American Surety Company could be made immediately available. The claim was prepared and delivered to the American Surety Company on May 4, and was immediately paid. In consequence the bank suspended, recovered on the bond and resumed business all within the short space of four days.

Western general agents of the Equitable are very much interested in the statement wired from New York that the control of the agency department has been taken out of the hands of the officers of the Equitable and assumed by the executive committee. It is understood that this will materially alter the position of many of the agents who had been compelled to do as they were required by the officers, because they were indebted for advances and hoped to secure promised promotions and increases in salaries and allowances.

The **Guardian Life insurance company,** which was organized in Philadelphia about two months ago by E. L. Shelton, formerly secretary of the Security Life and Annuity Company, has retired from the field. Mr. Shelton was the mainspring of the new company, and shortly after it was chartered he was taken seriously ill and has since been confined to his bed. It was at first thought probable that others would take up the work of the company where he left off, but as negotiations looking to this end failed, it was decided to abandon the organization and take down the deposit of $100,000.

The **improvements** made in the fire department **at Knoxville, Tenn.,** have resulted in the remission of a portion of the pink slip advance by the Kentucky and Tennessee board, with the approval of the governing committee of the Union. Twenty per cent. of the advance is taken off, giving a reduction of 5 cents on buildings of three stories and under, and 10 cents on higher buildings. A further reduction is pending for improvements in the water supply, but will not be allowed until these are completed. The requirement is a new pumping engine, sufficient to fill the standpipe and keep it filled with twelve streams playing in the downtown district.

Last Tuesday's meeting of the **Boston Board of Fire Underwriters** was uneventful, but the brokerage committee is busy with the annual recommendations regarding changes in the board rules, notably one looking to a readjustment of the compensation of solicitors, who, it is averred, are sometimes paid higher commissions than those allowed to brokers, and this, the objectors think, ought not to be. The questions mooted will have to be acted upon by the board prior to July 1, the date on which each year's rules go into effect.

The estimated **loss by fire in the United States and Canada** in the month of April, according to the compiler of the *Journal of Commerce,* was $11,901,350. The comparison of losses in the first four months of this year, 1903 and 1904, is as follows:

	1903.	1904.	1905.
January	$13,166,350	$21,790,200	$16,378,100
February	16,090,800	90,051,000	25,591,000
March	9,907,650	11,212,150	14,715,400
April	13,549,000	23,623,000	11,901,350
Total four months	$52,703,800	$146,666,350	$68,585,850

At a Sunday fire in Reading, Pa., this week two rival companies of **volunteer firemen fought** for the possession of a hydrant until the police reserves came and clubbed them off. The police extinguished the blaze after $40,000 damage had been done to a lumber yard and some stables. Consequently on Monday the mayor recommended a paid department for the city. Simultaneously a negress set fire to her house, and when arrested a fire insurance policy was found in her stocking. Hot times in the old town!

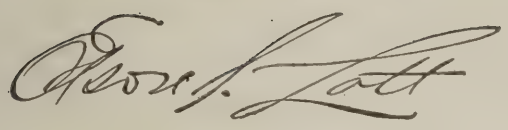
The German of Wheeling, which recently increased its capital to $200,000, has **applied for admission** to New York. The Hamilton Fire of New York is preparing to enter Wisconsin. The Security of Baltimore is in Nebraska and the North River Fire has entered Virginia and West Virginia. The Sun of London has re-entered Virginia. The Penn Mutual Life has entered New Mexico, as has also the London Assurance Corporation. The Travelers Fire of Pine Bluff, Ark., will enter New York about July 1. Edward Cluff will be metropolitan agent.

The governing committee of the Western Union has declared **rates off at Bearne,** Ind., at the request of the Queen, which claims that an agency which it left is retaining the

(*Continued on page* 464.)

ACCIDENT INSURANCE.

Lecture by Edson S. Lott, President of the International Association of Accident Underwriters, Before the Wharton School of Finance and Commerce of the University of Pennsylvania, May 4, 1905.



By the way, what is an accident? A clear and comprehensive answer would be warmly welcomed in the claim department of every accident insurance company. Up to date each time some proud discoverer has imagined that his definition would hold—that he has hit upon an unfailing formula—the endless cup chain of events has dipped down into the bottomless well of evolution and brought to the surface a new and unthought of combination of circumstances, smashing the formula into little bits. No lexicon comes within hailing distance of a solution.

Suppose, for an instance, a Penn man and a Princeton man should engage in an altercation, and the Princeton man should "break the face" of the Penn man and "put him out of commission."

Would that be an accident?

Perhaps you think it would be impossible.

The Travelers insurance company, of Hartford, was chartered in 1863, and that may properly be said to be the beginning of accident insurance as it is known today. Prior to that English companies had granted insurance against the hazard of railway travel, but general accidents were not considered insurable until then.

The first contract of accident insurance made in this country was for a premium of 2 cents. Early in 1864, while Lincoln was serving his first term as President, James G. Batterson verbally insured James Bolter in the sum of $5,000 against accidental death while Mr. Bolter walked from the Hartford Post Office to his residence in the same city, the consideration being 2 cents. At that time the Travelers insurance company was chartered and Mr. Batterson was its president, but it had not begun active business.

That original premium, two 1 cent pieces, is still in the possession of the Travelers insurance company, and Mr. Batterson, now deceased, became the most famous accident underwriter in the world.

From that small beginning has grown a business of many ramifications and of great importance. About $15,000,000 are now paid annually in this country in personal accident insurance premiums alone, while the general business of accident (or casualty) insurance has broadened until it now embraces liability, steam boiler, plate glass, automatic sprinkler, flywheel and other like lines of insurance, while many accident insurance companies now also insure against sickness and burglary.

There are several kinds of organizations issuing accident insurance in this country today—stock companies, fraternal associations, assessment societies and benevolent orders, each operating on a different plan, but all organized for the same purpose—the benefit of the organizers. I shall deal, in my talk with you,

WITH STOCK COMPANIES

only. If any of you intend organizing a stock accident insurance company in the State of New York, you must first sell at least $100,000 of capital stock to bona fide purchasers, and with the money you must purchase certain securities and deposit them with the Insurance Department of the State, for the protection of those whom you insure. You can draw the interest on these securities, but you cannot touch the securities themselves so long as you have a policy outstanding. They will be held by the State to pay the claims against your company if you cannot pay them out of the premiums you receive, and if you reach a point where the Insurance Commissioner is of the opinion that you cannot "make good," he will—through the proper legal channel—put your company in the hands of a receiver, who will wind up your affairs, using as much of your deposit with the State as will be necessary to pay your debts—which will in all probability be all of it.

This $100,000 will permit you to write one "line"—say personal (or individual) accident. If you want to write other lines, like steam boiler, plate glass, burglary, etc., then you must increase your capital and sell more stock, and make an additional deposit with the State of $50,000 for each additional line. Most companies write several lines.

Having made the necessary deposit with the State, you are ready for business, except that having deposited every dollar of your capital with the State and not being permitted to withdraw a dollar of it for any purpose whatsoever, you will not have anything with which to pay the expenses of getting the business under way. Beyond all this, the State requires you to keep always on hand (in cash or good securities) an amount equal to the unearned premiums on all the policies you have issued, and which are in force. This is called the reinsurance reserve. The State requires this reinsurance reserve to be maintained unimpaired, that in the event of your assuming greater liabilities than you can carry you will have on hand sufficient premiums with which to pay a solvent company to assume the policies you have issued.

I have stated that the law requires the company to keep always on hand as a reinsurance reserve an amount equal to the unearned premiums on all the policies it has in force. Accident policies are issued for one year and the premiums are paid in advance. The premium is "earned" day by day as time goes by and the year rolls around. When the policy has been in force one month then one month's premium has been earned and eleven months' premium is unearned; when the policy has been in force two months then two months' premium has been earned and ten months' premium is unearned, and so on. Of course at the end of the eleventh month there has been eleven months' premium earned and there is but one month of unearned premium. As practically all the policies are written for one year, the average earned premium is six months, likewise the average unearned premium is six months; hence you will find it necessary to maintain as a reinsurance reserve one-half of your premiums in force. If at any given time the full premiums on all the policies you have in force amount to $1,000,000, then your reinsurance reserve at that time should amount to $500,000.

Having deposited all your capital with the State and being obliged to set aside as a reinsurance reserve your premiums as fast as they come in, where are you to get the money with which to pay the expenses of organization, the printer, office rent, clerk hire, salaries and traveling expenses of those whom you employ to send through the country to secure agents for your new company, the fees and taxes of the various States in which you desire to do business, not forgetting your own salary?

If you are wise, you will have provided for this contingency by having sold your capital stock at a premium. Suppose you capitalize for $300,000, divided into 3,000 shares, and sell the shares at $150 each. This will amount to $450,-

000—$150,000 more than your capital, and this $150,000 you can use for the purpose of getting under way, leaving your capital unimpaired.

It may be a bit difficult to convince some people that you are offering them a "good thing" when they are asked to pay $150 for a $100 share in a company which is to enter a business where competition is already most strenuous, but this you must do if you place a new company in the field. I suppose I may say a word about

THE INTERNAL ORGANIZATION OF A STOCK ACCIDENT INSURANCE COMPANY,

leaving out the details concerning what is necessary before the company is actually in working order.

The active affairs of the company are managed by officers, the president and the secretary or the general manager and the secretary usually being in control, with subordinate officers in immediate charge. The officers are elected annually by the directors (sometimes called trustees). The directors are elected by the stockholders, and usually for a term of three years. Most boards of directors consist of nine or fifteen or twenty-one members, and their tenure of office is so arranged that one-third retire each year, making it necessary for the stockholders to elect one-third of the full board each year. Under ordinary circumstances, the stockholders meet but once a year and for the purpose of electing directors. The directors are commonly vested with the full control of the company and all its belongings. They usually meet monthly to receive reports from and give directions to the officers. Frequently the full board of directors elects from its body a smaller number as an executive committee, and this committee keeps in close touch with the affairs of the company and passes upon all but the most important matters.

Then (in theory, at least) the heads of departments report to the subordinate officers, the subordinate officers to the executive officers, the executive officers to the executive committee, the executive committee to the board of directors, the board of directors to the stockholders, who are the owners of the company.

The executive officers are almost always directors and members of the executive committee, and—as a matter of fact—the executive officers practically control the company and are responsible for its success or failure, and the State Insurance Departments hold them directly and personally responsible for the proper conduct of the company's affairs. The nature of the business is such that it is absolutely essential to the success of the company that its officers be given the greatest freedom in the exercise of their individual judgment, and it is also of equal importance that the board of directors never relinquish their right to interfere when interference is necessary. For a board of directors to attempt to handle the details or any considerable part of them, however, would be like the President's Cabinet in time of war attempting to direct every movement and every order of a general while engaged in battle. And the successful executive of an insurance company is always engaged in battle—a constant battle for supremacy, which means that the odds are always against him, for he must forever fight against a greater force than his own, every other company being a competitor for the business already on his books as well as for that which he is trying to place on his books.

Each State has an insurance department presided over by an officer usually known as the insurance commissioner, and this official practically has supreme authority over the insurance companies doing business in his State, so far as the business they do in his State is concerned, whether the companies were chartered by his State or by another State. The charter you receive from the State where you organize does not (of itself) permit you to do business in any other State. Before doing business in any other State you must obtain a license from the Insurance Commissioner thereof, and this may or may not be an easy task.

The affairs of your company will be constantly scrutinized by the Insurance Department of your own State as well as by the Insurance Department of every other State where you are permitted to do business, and you will be periodically examined by your own Insurance Department and more or less frequently examined by the Insurance Departments of other States. Sometimes the examiners sent by the Insurance Departments will be insurance experts and sometimes they will be political sharks, but each will come clothed with full power to go through everything in sight. It has been said that in days gone by there was mighty little in sight after certain Western examiners left a company they had "examined." When you reorganize your company you need not, at first, bother much about

POLICY FORMS,

because you can follow the leading companies. While new policies and new features are the fad of the day with accident insurance companies, and while there is a difference in policies, yet—as a rule—one company pays its patrons, in settling claims, about as much as other companies would give under like circumstances, making the result of accident insurance, in this respect, as a whole, about the same to the insured and the insurer irrespective of policy forms and the advertising features in connection therewith. At the same time the trend of the business is to deal with the insured with extreme liberality, and to this may be attributed the increasing popularity of accident insurance. When it comes to

RATES

(premiums) and classifications you can also play "follow the leader," for while there is a divergence here and there, yet in the main the rates and classifications of the leading companies are the same.

Speaking of rates, perhaps you thought the 2 cent premium paid to Mr. Batterson by Mr. Bolter, in consideration of which Mr. Batterson agreed to pay Mr. Bolter's estate $5,000 if Mr. Bolter was accidentally killed while walking from his post office to his residence, was a very small premium. As a matter of fact, it was an outrageously high premium. It is estimated that it took Mr. Bolter six minutes to walk the distance. Two cents for six minutes is 20 cents for one hour, $4.08 for one day, $1,752 for one year. Today any company in the land would be glad to accept the risk for one whole year for $10.

If Mr. Batterson could have secured his original rate for all the accident insurance he ever wrote he would have made some people we hear much about look like stuffed hides.

The average accident policy provides the following indemnities: For loss of life, or two feet, or two hands, or one hand and one foot, or two eyes, $5,000; for loss of one foot, or one hand, $2,500; for loss of one eye, $1,666; for total loss of time, $25 per week—not exceeding 200 consecutive weeks; for partial loss of time, $10 per week—not exceeding twenty-six consecutive weeks. The lowest premium for all this is $20 per year, and the highest premium (outside of a few very dangerous occupations) is $150 per year.

To be entitled to indemnity the insured must suffer a loss caused by bodily injury effected exclusively and directly by external, violent and accidental means which, independently of any and all other causes, immediately and continuously disables him. When you buy accident insurance the premium you pay will depend upon what class you are in, and your

CLASSIFICATION

is determined by the hazard of your occupation. The hazard is ascertained from tables of accidents which have been compiled for many years and by many companies. In accordance with their relative hazards the various employments of mankind are divided into less than a dozen classes. In some companies these classes are known by descriptive titles, such as preferred, extra preferred, ordinary, medium, special, hazardous, extra hazardous, special hazardous, and so on; while other companies designate them as class one, class two, class three, and so on.

It has been stated that the man whose occupation is embraced in the least hazardous class pays $20 per year for a certain amount of insurance, while a man engaged in an occupation included in the most hazardous class must pay $150 for the same amount of insurance. From this wide difference in the rate of premium charged different individuals springs the need of accurate classification. "Familiarity breeds contempt," and the man engaged in a hazardous occupation is the last man to believe that it is hazardous. Of course, in some cases the comparative hazard is apparent; everybody knows that a railroad brakeman is more liable to accidental bodily injury than a college professor—everybody but the brakeman; but everybody does not know that the best of all risks for an accident insurance company is a traveling salesman—if he travels on the cars. He is not so good when he travels by horse and carriage.

Suppose we compare the commercial traveler with the dentist. In the first place, taking into account all the losses which have been paid by all the accident insurance companies doing business in this country during the past twenty

years, only 4.77 per cent. arose from traveling on the railroad and but 2.74 per cent. resulted from street car travel, showing that the popular idea regarding the hazard of travel is erroneous. In the second place, a little injury to the dentist's fingers puts him on the retired list for the time being. His fingers must be in normal condition to perform his work. And as he must stand to do his work, a slight injury to his foot is liable to estop him for the time being from following his occupation. But the traveling salesman goes merrily on with one arm in a sling or a crutch in place of one foot, gathering sympathy, admiration and orders as he goes. Indeed, he must go on, unless his jawbone is broken or dislocated, for to lay up means big hotel bills and some other fellow interfering with his "trade." Beyond this, the really good salesman is a man of nerve, not "cheek," but nerve and grit and courage, better remedies than medicine.

These illustrations point to other factors which enter into the classification of an occupation. First among these is what may be termed the nature of the occupation. Here we do not consider the effect of the occupation upon exposure to injury, but rather the effect of the injury upon the performance of the duties of the occupation. To illustrate: A barber is not more exposed to accidental bodily injury than a lawyer; the slightest injury to the barber's hands, however, will disable him, while the same injury would merely inconvenience the lawyer and in nowise prevent him from attending to his usual duties. Take the watchmaker; a slight injury to his hand and the deftness and skill so necessary to his craft are gone. Let the business manager of a mercantile or manufacturing establishment injure his hand slightly, or even severely, and he goes on his way serenely.

Now consider the nature of the occupation in another aspect—its direct effect upon the injury itself. The surgeon affords an excellent example of this. Think of his constant exposure to septic poisoning in cases of even the most trifling injuries, mere abrasions of the skin. In many other curious ways this nature of the occupation exerts an influence and often explains many of the apparently unfair classifications.

Then there is

THE "MORAL HAZARD,"

not moral hazard in a general sense, but, specifically, the moral hazard incident to an occupation. It is well known that certain occupations are identified with certain classes, or say "grades," of men. This fact has, of course, a direct bearing upon this moral hazard. This idea also works conversely; that is, occupation has a direct influence upon the morals. Examples of this association between employment and morals are familiar to everyone, and I will only refer to instances where the connection is less apparent. It has been found that occupations in which employment is not constant or which, by their character, are not followed during certain periods of the year are particularly dangerous from the underwriter's standpoint. The actor is frequently unemployed during the summer, certain classes of skilled laborers are idle during certain seasons, the student is idle most of the time, and so on. Experience has corroborated the precepts of the Bible; idleness leads to trouble—for the accident company. A wound does not heal so quickly, a slight scratch is totally disabling, and sometimes—well, when the insured is out of employment, the accident company is supposed to play the role of Lady Bountiful.

There is still another point to consider, the influence of the occupation upon the physical state. Physical condition is, of course, a vital factor in accident insurance; not only is the unhealthy risk more liable to injury and slower and less sure of recovery, but complication by disease is apt to arise, even from a small injury. The cause of this influence is often hard to assign, but in many cases it is easily seen. The intemperate habits of certain kinds of laborers, the excessive physical labor required of others, the conditions under which the work is performed, these and many other causes having their bearing.

Absolutely accurate classification can never be attained. The "personal equation," ever prominent in accident insurance, does not permit of this. The lawyer in the country milks his cow and harnesses his horse and does the "chores" about his house, and is thereby more exposed to accident than the city lawyer. The energetic, prosperous lawyer continues at his work even after a severe injury; the less industrious, less prosperous lawyer remains at home to recuperate. Women without steady employment are undesirable accident insurance risks, and men not regularly engaged in an occupation for hire or profit are equally so. Accident insurance is not really insurance against accident, but insurance against loss arising from accident—loss of life, loss of sight, loss of limb, loss of time—and only against loss of time when one's time has a cash value. The time of the man of leisure has no money value. Nor has the time of a woman who is not regularly employed. Women bookkeeprs, clerks and stenographers are good subjects for accident insurance, but teachers and actresses are undesirable because during the summer months they are usually unemployed and at such times a very slight injury is liable to end in a prolonged period of disability. At the same time it may be left for one of you to organize a company to insure only actresses. Perhaps you might recruit your staff of solicitors right here.

While absolutely accurate classification cannot be attained, yet the business of accident insurance is far enough advanced to permit the underwriter to discard theory, and today each occupation is rated according to the actual cost of insuring thousands of like risks as shown by past experience, and when all the occupations insured by any company of considerable size are grouped it is known in advance that the total losses will amount to something less than 50 per cent. of the total premiums received—if the risks are intelligently passed upon. Having paid out in losses nearly 50 per cent. of our premiums we are brought back to

THE REINSURANCE RESERVE

we were talking about, which—you remember—is an amount equal to the unearned premiums. Altogether this looks like 100 per cent. of the premiums received, and nothing left with which to pay agents' commissions (averaging about 25 per cent. of the premiums), the printers' bills (a large item with insurance companies), postage (another big item), office rent and clerk hire (another important item, as the entire business is one of detail record), salaries and expenses of traveling representatives (and no company can do business without them), State fees and taxes (the latter amounting to 3 per cent. of the gross premiums in some instances), the expenses of the Insurance Department examiners (which must be paid by the company), officers' salaries (and if you want competent officers you must pay liberal salaries), directors' fees (a considerable item in the course of a year), and stockholders' dividends (the very thing you promised when you sold your stock).

How can you do it? Well, at first you can't, and that is why you sold your stock at $150 per share, instead of $100—the par value. However, if your officers have a technical knowledge of the business; and if—in addition—they work early, late and all the time; if they possess enthusiasm themselves and the ability to impart it to all others connected with the company, including the agency staff as well as the home office force; if they can unerringly separate the fraudulent from the honest claimants; if they can pay a just claim in a manner calculated to make the policyholder feel that the company was organized for that very purpose, and have the courage to let the fraud appeal to the courts; if they know how to cause every employee and every patron to realize that all he is entitled to is a "square deal"; if they have the mental and physical endurance necessary to untie hard knots and disentangle difficult problems every day of their lives; if they are constantly posted on the ever changing insurance laws of each State in which the company does business; if they are tactful and tireless—then there is a way whereby they can make a profit for the owners of your company. Indeed, some men succeed in the business who are not the ideals described; they are those who have a fair amount of these attributes and make up the balance by sheer hard work, by keeping everlastingly at it; and keeping everlastingly at it almost always brings success in any field of human endeavor.

After all this preamble, it may be stated that if your premiums the first year amount to say $500,000, and your policies are all on an annual basis, and the average time they have to run at the end of the year is six months, and consequently you have set aside as a reinsurance reserve $250,000, and the next year your premiums amount to $600,000, then you need only put up an additional $50,000, for at that time your premiums actually in force will be but $300,000. In other words, after having set aside any amount for a reinsurance reserve you need not increase that amount except as your business increases; hence if you do the same amount of business the second year as you did the first year, you need not set aside any more reserve—you can use your entire premium income with which to pay losses and expenses, and your losses should not reach quite 50 per cent. of the

premiums. Another very important item has not been mentioned. It is the item of

INTEREST EARNINGS.

The capital of an insurance company is invested in interest bearing securities. So is the reinsurance reserve. Likewise the surplus, if there is any, and every well regulated company has a surplus. The amount set aside for claims in the process of adjustment is drawing interest, too. These items go to make up the company's assets, and as the business grows these items grow, until the original capital is but a small part of the total holdings of the company.

Suppose the original capital of $300,000 is intelligently nursed until the total assets are $2,000,000, and the entire amount is safely invested in securities which average a net income of 4½ per cent. This means $90,000 a year from this one source, or 30 per cent. per annum on the capital stock. In that event you can pay out, in losses and expenses, 100 cents for every dollar of premium you receive and still make your stockholders happy—and, in time, opulent.

It appears, then, that there are two principal departments in an insurance company, the insurance (or underwriting) department and the banking (or investment) department, and while the underwriting department must first furnish the funds for the banking department to invest, the success of the company will largely depend upon the intelligence exercised in these investments. The securities must be safe, and at the same time profitable, for an additional one-half of 1 per cent. on $2,000,000 is $10,000 per year, 3 1-3 per cent. on a capital of $300,000.

Should you reach a point where your interest amounts to $90,000 per year it would be most unwise to pay it all out in dividends to your stockholders; you should create a surplus —for a bad year, for an epidemic of losses, for the purpose of being able to show your patrons that you could stand reverses and still pay your claims. Indeed, should you have no surplus you would be in constant danger of going into the hands of a receiver. Any day may bring you a loss of many thousands of dollars, and the following day may be worse. Whenever you reach a point where you have no surplus, where your assets equal your liabilities and no more, then you are right up to the dead line, and should a loss force you over the line, you will soon find this receiver in possession.

Surplus is, as you know, the difference between your liabilities and your assets. Your liabilities are made up from your reinsurance reserve, the amount you owe for claims (losses), and all your other indebtedness (the amount you owe the landlord, the printer, etc.). Your assets are, of course, your belongings, your holdings—whatever you are "worth" before paying your debts.

THE PURPOSE OF ACCIDENT INSURANCE

is to reimburse the insured for the financial loss he sustains by reason of an accidental bodily injury of such a nature as to disable him—as to prevent him from attending to his duties of his occupation. Accident insurance does not contemplate pain or inconvenience, per se, although many claimants think it should. The policy covers both total disability and partial disability. Total disability (or total loss of time) means that period during which the insured is rendered continuously unable to transact each and every part of his business duties. Partial disability (or partial loss of time) means that period during which the insured is rendered continuously unable to transact one or more of his important and necessary daily business duties.

The policy also insures against loss of sight and loss of limb and loss of life. Indemnity for the loss of time or sight or limb is payable to the insured. Indemnity for the loss of the life of the insured is payable to the beneficiary, whom the insured selects—most frequently his wife.

The general underwriting department of your company will be subdivided into other departments—such as the agency (or business producing) department, the accounting department and the claim department. Of course the most important of these is the agency department, and it should be presided over by a born business producer. Scarcely less valuable to the company, however, is the claim department, for it is practically the only department which comes in close personal touch with the policyholder, and your success will depend very largely upon the treatment you accord your claimants. Here, as nowhere else, is brought out the complicated and indefinite nature of accident insurance. In most other forms of insurance indemnity is paid under exact and absolute conditions. This is not true of accident insurance. Even in the case of death, there are certain circumstances under which death must occur. When the claim is for loss of time we must then consider, not only the circumstances in connection with the loss, but also the disability itself—its duration, whether total or partial in itself, whether total or partial in view of the nature of the occupation—and then, the trustworthiness of the information concerning these points. Incidentally, too, we must determine the bearing of the claim upon the desirability of continuing the insurance on the risk. You will find that during the policy year one claim will be made for about every seven policies written; that the average period of total disability will be about three weeks; that during the policy year one out of about every 600 policyholders will meet with death coming within the meaning and intent of your insurance.

Let me tell you about some curious claims.

A Vermonter wrote: "The doctor ordered a Spanish fly blister for my wife. It was laid on the dresser. When she wanted it, it could not be found. Several times that day I thought my new shoes were chafing my ankle. Upon removing my shoes that night we found the missing blister, and I missed about two inches of skin at the same time. Have not been able to attend to my duties since."

One policyholder swallowed a gold tooth and drew five weeks' indemnity.

Another patron lacerated his thumb "while cutting coupons."

Another was "bitten by a lobster," so he wrote the company.

A Washington man wrote: "On the morning in question, on entering the kitchen, my wife, who had been using a flat iron, told me to let her remove a crease in my pants, saying at the time that the iron was not hot. I placed my leg in position on a chair, she placed a damp cloth over the place or crease and put the iron over this. The iron, being hotter than either of us supposed, drove the steam, thus generated, through the pants to the flesh, thus steaming a place the full length and nearly the width of the face of the iron, about 2 inches by 6 inches, on my leg from the kneecap upwards."

A man struck a match at the desk of a hotel and the head of the match flew off and landed in the ear of the hotel clerk, totally disabling him for twenty-seven days.

A Pittsburgh policyholder placed an electric fan beside his bed on a hot night, and while asleep stuck his foot into the fan, waking up minus a big toe.

A young man working in a saw mill lost his finger "monkeying with a buzz saw." When he recovered he went back to work and promptly lost another finger "showing a friend how he lost the first one."

(*Continued from page 460.*)

company's business. A joint committee of the State Board and League had recently been appointed to investigate conditions at Bearne, and is aggrieved that rates were declared off without any notice to it. It is feared that such tactics may result in impairing the co-operation which has heretofore prevailed between the two clubs.

The German imperial labor organ, *Reichsarbeitsblatt,* has compiled comparative statistics showing the **death rate among infants** under one year old in seven great industrial nations of the world. In order of mortality they stand thus: Germany, Austria, Great Britain, Switzerland, Italy, the United States and France. In Germany the percentage death rate is given as 34.5, in Great Britain, 26.6; in Italy, 25.8; in the United States, 19.2, and in France, 15. The averages are for the years 1901 and 1902.

The new **Life Underwriters' Association of Springfield,** Ill., gave its second monthly banquet at the Leland Hotel on the evening of May 6. Mr. Estes, St. Louis manager of the Equitable Life, spoke on "The Benefits of the Life Underwriters' Association."

The home office of the **People's Surety Company,** the new Brooklyn company, is open at 26 Court street, that city.

The company expects to be well under way in a week or two. It has a capital of $350,000 and $87,500 surplus. The officers are David A. Sullivan, president; James N. Brown and Edward B. Tompkins, vice presidents; William J. Buttling, treasurer, and John H. Sell, secretary. Paul Grout is the attorney. It writes court, fidelity, official and contract bonds.

The **Wabash Fire,** promoted by Fred S. Gray, formerly manager of the Manufacturers and Merchants insurance company, has organized by electing Mr. Gray president, Herman A. Perz vice president, Chester N. Phillips secretary, E. M. Moriarty assistant secretary, Wm. R. Keene treasurer and Charles R. Barber special agent. The company works under an Indiana special charter, with headquarters at Hammond, and will begin business June 1.

The **local agents of Akron,** Ohio, have adopted a rule forbidding the writing of any brokerage business. Any agent accepting such business is liable to fine by the local association, which includes all the important agencies there. The local agents have had a great deal of trouble with so called "brokers," who were in reality only rounders "out of a job," who when they could get a risk took it to any agent who would give them a "rake off."

A law enacted during the present session of the Massachusetts Legislature put the control of **motion picture machines** in licensed places of amusement into the hands of the State police; but an accident resulting from one of these machines at a church entertainment in Haverhill the other day has caused the committee on public service to report a bill subjecting these devices in churches and other unlicensed places to State regulation as well.

Articles of incorporation have been filed at Trenton for the **Provident Fire insurance company** of Montclair, N. J. The company will do a general fire insurance business and has $200,000 capital stock. The incorporators are Frederick Merriam Wheeler, Knight W. S. Wheeler, John N. Holton, Harold G. Macey, Samuel A. Wheeler, W. H. Ellsworth, William H. Taylor, Reuben Francisco, L. W. Moorehouse and Stanley R. Soverel.

At the annual meeting of the **Underwriters' Association of New York State,** held at Syracuse on Monday, the following officers were elected: President, F. S. Tyler; first vice president, A. W. Selkirk; second vice president, I. Lloyd Green; chairman of executive committee, J. M. Carothers; executive committee, G. W. Wyatt, F. I. Chrisfield, F. E. Burke, A. W. Shaffer, A. T. Lovett; secretary and treasurer, Charles K. Coit.

A **Fellowship Club** has been organized by fire insurance men **in St. Louis,** modeled after the similar organization in Chicago. It grew out of the farewell dinner tendered at the Buckingham Club to Ira Welch, who left St. Louis to open an adjustment bureau in Chicago. The officers are: President, S. E. Cate; vice president, David Mattison, and secretary, John H. Bruner. Annual dinners will be held.

The **Continental Casualty Company** will be installed in its new building on Michigan avenue, near Twelfth street, in Chicago, May 15, when Manager H. G. B. Alexander returns from Europe. The building is a handsome one, well lighted and conveniently arranged, and the growing work of the company will be much more easily handled hereafter.

The **United States Casualty** Company this week issued a **new disability policy,** a combination of its present "Climax" accident policy and a new health insurance policy, and known as the "Climax Disability Policy." It includes the payment of double indemnity while the insured is confined in a hospital for a period not to exceed twenty-six weeks.

The Omaha firm of **Meikle & Dodson** has dissolved partnership, taking effect June 1. George Dodson, as the George Dodson Company, will retain the general agencies and some of the local agencies, while W. B. Meikle will form a partnership with J. A. Morrison, as Meikle & Morrison, and retain the remaining local agencies.

Atlanta is a **hotbed of bicycle scorchers.** Last week J. J. Coleman was knocked down and injured by a messenger boy on a wheel as he was alighting from a trolley car. On April 17 Roscoe W. Gorman, State agent of the Travelers, was killed in that city in the same kind of an accident by a negro messenger on a bicycle.

The **Life Underwriters' Association of Birmingham,** Ala., held its first regular meeting last week and banqueted at the Hillman Hotel. The executive committee, composed of J. R. Pratt, W. L. Sessions, W. J. Cameron, W. H. Steward and C. B. Jennings, was instructed to take action for affiliation with the national body.

Among the **bills passed in** the closing hours of **the Illinois Legislature** was one permitting manufacturers and coal mine operators to organize mutual casualty companies, and another giving the firemen's pension funds a larger proportion of the 2 per cent. tax on insurance premiums in fire department towns.

Losses have been unusually **heavy in the West** during the first week in May, some of the large companies claiming to have had more large losses than in any other week in their history. One Western department had six losses of over $5,000 each during the week, besides scores of smaller claims.

The **San Francisco Board of Fire Underwriters** elected officers on Wednesday for the ensuing year as follows: Chas. D. Haven, of the Liverpool and London and Globe, president; Bernard Faymonville, of the Fireman's Fund, vice president, and B. J. Smith, of the Connecticut, treasurer.

The Fire Prevention Association of Missouri is opposing the growing practice of **storing oil for fuel** in tanks above ground. Several Kansas City firms have been notified that their policies would be cancelled unless they place the tanks underground or furnish other satisfactory safeguards.

The Attorney General of Washington, in response to a request from Commissioner J. H. Schively, of the State Insurance Department, has given an opinion that the **"advisory board" plan** of writing insurance policies is **contrary to the anti-discrimination laws** of that State.

No action has yet been taken by Governor Douglas of Massachusetts on the bill to permit **liability** insurance **companies to transact steam boiler insurance business** in Massachusetts, but the outlook is that he will pass upon that measure early next week.

The Fidelity and Casualty has already received a death claim and a number of injury claims on account of the **strike riots in Chicago.** All the liability companies doing business there are likely to suffer, especially on account of team policies.

Forest fires have been making sad havoc the past week **in New England,** particularly in Eastern Massachusetts and some sections of Maine and New Hampshire, and losses esti-

mated to exceed $150,000 have been reported from this cause.

The grand jury at Boston has indicted Joseph Chiesa, charged **with burning a stable** on North Center street the 8th ult.; also John Burns and Michael Dougherty, accused of burning a building in the West Roxbury district of the city.

An invitation has been extended to **S. H. Wolfe,** consulting actuary, by President John Dolph of the National Association of Life Underwriters **to read a paper** before the coming annual meeting of that body to be held at Hartford next fall.

The **Indiana Association of Life Underwriters** gave a smoker at the Commercial Club on the evening of May 8. The principal address was by Charles R. Williams, editor of the Indianapolis News, on "The Mystery of Life Insurance."

The Louisiana Fire Prevention Bureau has put **Shreveport in the list of first class cities,** so far as fire protection is concerned. The full benefit of the first class rating will not be allowed until the apparatus already ordered is installed.

The suit for an accounting, begun by the **Western of Pittsburgh against Frank F. Holmes,** its former Chicago agent, is set for hearing this week. Secretary Hare, of the company, will go to Chicago to look after its interests.

The **Empire State Surety** will not enter the plate glass compact. It has placed the direction of its plate glass department in the hands of S. B. Carr, formerly with the Casualty Company of America.

The **National Fire Protection Association** will hold its ninth annual meeting on May 23, 24 and 25 in the meeting room of the New York Board of Fire Underwriters, 32 Nassau street, New York.

The **Plate Glass Compact** has selected for its **arbitrator** Mr. Edward M. Gridley, who for the past ten years has been treasurer of the Phœnix Chemical Works. He will probably locate in Pine street.

The directors of the **Security of New Haven** voted on Monday to increase the capital of the company to $500,000, $100,000 additional to be paid in in July. No part will be taken from the surplus.

Fourteen shares of the Travelers insurance company of Hartford were sold at auction this week for 903. A **sale of** fourteen **shares** of the Home insurance company was made at auction this week at 410½.

The receiver of the defunct **Monumental Life** insurance company of Baltimore, which was the last offshoot of the old Iron Hall, will pay a 40 per cent. dividend in a few days, it is announced.

Under an agreement that the State Auditor shall be allowed to verify its annual statement, the **Mutual Reserve Life** insurance company's license **in Nebraska** has been renewed.

The **Bankers Life** announces to its agency force, through Manager Frank Tully, that the company's business for the first quarter of 1905 shows 40 per cent. increase.

At the annual meeting of the board of directors of the **Manhattan Life** insurance company this week Henry B. Stokes was re-elected president for another year.

The annual convention of the **National Association of Insurance Commissioners** will take place at the Mt. Washington Hotel, White Mountains, September 26, 27, 28.

Insurance **rates at Anderson,** Ind., have been increased 1 per cent. on thirty-five risks because of defective electric wiring, to remain until the wiring is improved.

The **Alabama Mutual Aid Life** Association has been incorporated in Montgomery, Ala., with a capital of $50,000. Richard B. Kelley is one of the incorporators.

The **Calumet Fire** has been **admitted to Indiana,** and Secretary Haight and Special Agent Stuart Morgan are now planting the company in the State.

An act to incorporate the **Cosmopolitan Life Insurance Company of America** was introduced in the Rhode Island Legislature last week.

The **new fireboat** "Firefighter" for the **Washington,** D. C., fire department was launched last Saturday at Wilmington, Del.

The **City of New York Fire** insurance company will enter Massachusetts next week.

Personal.

AGENCY APPOINTMENTS.

Aachen and Munich: J. H. MacFarlane, special agent for Wisconsin, Northern Michigan and Northern Minnesota; W. K. Wisner, special agent for Southern Minnesota.

Aetna Life: Stedman Smith, general agent, Boston, Mass.

Allegheny Fire: C. G. Watt, special agent for New York State.

Bankers Life of New York: J. H. Nicholson, State manager for Maryland, with headquarters at Baltimore; H. Q. Nicholson, general agent at Baltimore; William A. Carleton, general agent for Eastern Massachusetts, headquarters at Boston; Chas. C. Spaulding, Rhode Island State manager, Providence, R. I., with John J. Higgins and Wm. F. Coffee as general agents; in New York State John McCausland general agent at Kingston, and A. B. Evanton at Utica.

Caledonian: G. R. Williams, special agent for Georgia, Alabama, Kentucky and Tennessee, at Atlanta, Ga.

Eagle: C. O. Gansel & Co., Cincinnati, Ohio.

Penn Mutual Life: Alfred M. Bergere, general agent, Santa Fe, N. Mex.

Spring Garden: J. H. Farris & Co., Butte, Mont.

Sun of London; Chapin & Hume, State agents, Richmond, Va.

Western of Pittsburgh: J. Gano Wright & Co., Cincinnati, Ohio.

Mr. Edward Everett Rhodes was elected mathematician of the Mutual Benefit Life insurance company, of Newark, N. J., at a meeting of the board of directors held on the 10th inst. In January last he was elected to the position of actuary, and his further advancement at this time results from the unexpected death of Bloomfield J. Miller. It is said by those in position to know that Mr. Miller communicated himself to Mr. Rhodes in his full statue and proportion, and that Mr. Rhodes has justified himself and his work to President Frelinghuysen and Judge Amzi Dodd, the company's ex-president and mathematician, and present general counsel—the company's "Grand Old Man." The force of a company is in the character of its living management, which in the Mutual Benefit is of the highest, and capable of infinitely expanding the traditional ideals of the company. The company is one of principle, unswerved from its time honored course by passing circumstances; hence the announcement of Mr. Rhodes' election and the assurance that he is the affinity of Mr. Miller is to be welcomed by all its friends.

Mr. Isaac Cross, Jr., who for many years was identified with fire insurance interests in Hartford, Conn., died at 3:20 Tuesday afternoon, at his home in that city. He had been a sufferer from diabetes for several years, and since a year and a half ago he had not been able to attend to business. Mr. Cross was born May 11, 1839, at Perth Amboy, N. J. He was the first secretary of the State Mutual Fire insurance company, and when its president, the late Ralph Gillett, died, in 1894, Mr. Cross became president. The company went out of business six or seven years ago. Mr. Cross also succeeded to Mr. Gillett's local fire agency, which was a well established business, the agency firm becoming Cross & Morley, his partner being Franklin A. Morley. In 1902 this agency amalgamated with the agency of Walter L. Wakefield, the firm becoming Wakefield, Morley & Co. Mr. Cross retained an interest in the business until his death.

General Manager Edson S. Lott, of the United States Casualty Company, was a guest at the first annual banquet of the Evening School of Accounts and Finance of the University of Pennsylvania, at the University Club, Philadelphia, on Friday of last week. He spoke on "The Value of Education in Insurance." In the afternoon he delivered a lecture before the Wharton School, which will be found in full elsewhere. Mr. Lott says the collegians gave him a great reception, including the yell.

Agency Director Daniel Boone, of the New York Life insurance company, at Kansas City, has been promoted to the position of inspector of

agencies, with headquarters in New York. He will have control of the agencies in New York, New Jersey and Connecticut and Canada. Mr. Boone has been connected with the New York Life for twenty-seven years, and will assume the duties of his new position September 1.

F. E. Marsh, vice president of the Interstate Life of Indianapolis, has located in Chicago to open the Illinois field. He is succeeded at Detroit by H. E. Roberts, formerly of Philadelphia (and previously editor of the *Surveyor* of New York). E. H. McConkey, of the Detroit office of the company, has been made manager for Maryland.

Manager E. G. Richards, of the North British and Mercantile insurance company, attended the National Board meeting on Thursday. Thirty years ago while special agent of the Worcester, Mass., Board he made his first attendance upon an annual meeting of the National Board, at the invitation of the late Thomas H. Montgomery.

Vice President George C. Howe, of the Niagara Fire, who sailed last Saturday for a pleasure trip abroad, was presented on his departure with a fine loving cup by his associates in the company, officers, field men and managers.

Mr. Sheldon Catlin, special agent of the North British and Mercantile for Western Pennsylvania and West Virginia, becomes June 1 special agent of the Insurance Company of North America for Western Pennsylvania.

President Robert B. Armstrong, of the Casualty Company of America, of New York, was banqueted last week, in Cincinnati, by President Charles A. Hinsch and the directors of the Fifth National Bank of that city.

Mr. A. E. Duncan, assistant manager of the Middle Department of the Philadelphia Underwriters, has resigned to accept the special agency of the Phœnix of Hartford for the Middle Department.

Manager Carl F. Sturhahn, of the Rossia insurance company, sails for Berlin on the Hamburg June 1, in the interest of the Prussian Life insurance company, of which he is general attorney.

Mr. L. G. Hoffman, of the pay roll audit department of the Maryland Casualty Company, has been appointed superintendent of the claims department of the Empire State Surety Company.

Mr. Arthur J. Williford has been appointed State agent in North Carolina for the New England Mutual Life. Until May 1 Mr. Williford was general agent of the South Atlantic Life.

Captain R. M. Jessop, special agent of the Phenix of Brooklyn in Southern Illinois, has been retired by the company on a pension, because of his advanced age and long service.

Mr. S. B. Carr, formerly with the Casualty Company of America, took charge of the plate glass department of the Empire State Surety Company on Monday.

Mr. W. H. Whitney, for many years manager at Boston of the Bankers Life, has been appointed general agent of the Union Central Life at that city.

Mr. Lanier Gray, an insurance agent of Roanoke, Va., died there May 1, following an operation for appendicitis. He was thirty-four years old.

President Charles A. Dean and Secretary J. W. Hawks, of the United Association of Surety Underwriters, has resigned, to take effect July 1.

President Henry D. Lyman, of the American Surety Company, sailed last Wednesday for Europe for a stay from six to eight weeks long.

Frank Tully, manager of agencies of the Bankers Life of New York, will spend next week among up State agents of the company.

H. T. Holtz, supervisor of the central department of the New York Life, is spending the month at Atlantic City.

Mr. Thomas F. Harvey, an insurance agent of Chicora, Pa., died there of heart failure May 4, aged sixty years.

Miss Henrietta G. Matheson, a prominent agent, of Ogdensburg, N. Y., died suddenly last Saturday.

United States Manager Oscar Ising, of the Ocean Accident and Guarantee, sailed for Europe this week.

Acting United States Manager Hiles, of the Royal Exchange, sails today for the home land.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

Little Rock, Ark., May 3.—House Bill No. 502, to regulate foreign mutual fire insurance companies, passed the Senate and goes to the Governor tomorrow.

The General Assembly will adjourn at noon tomorrow.

Connecticut.

HARTFORD, Conn., May 11.—The Insurance Committee of the General Assembly, at an executive session held this afternoon, voted unanimously to report adversely on the bill which provides for the distribution among the assessment certificate holders of the safety fund of the Hartford Life insurance company. The fund admittedly amounts now to nearly $1,500,000.

The Equitable Life Assurance Society and the Mutual Life insurance company of New York today paid to Insurance Commissioner Upson the $500 penalties which Attorney General King recently began suit to recover. The occasion of the suit was that each company advertised in a local paper figures regarding assets and business which differed from the annual statement filed with the insurance department. The companies claimed that the statement printed was a subsequent compilation to the filed statement.

The resolution incorporating the Lawyers' Title insurance company of Connecticut has been taken from the Committee on Incorporations and referred to the Committee on Insurance, which will consider the matter. The Insurance Committee has reported favorably the resolution incorporating the Standard Fire insurance company of Connecticut, and the Senate has passed the resolution amending the charter of the Travelers insurance company so as to provide for a continuing board of directors after January, 1906.

Florida.

Tallahassee, May 10.—Following is the text of the bill introduced by Senator Hudson, relating to State of Florida engaging in the insurance business. The bill will be thoroughly discussed and doubtless many amendments will be offered and suggestions made.

Sec. 1. The State of Florida is hereby empowered to engage in the business of life insurance.

Sec. 2. Within thirty days after the passage and approval of this act the Governor shall appoint a competent person who shall be officially known as the Commissioner of Insurance. He shall hold office for four years and shall receive a salary of $2,500 per annum.

Sec. 3. The State Board of Insurance is hereby created and established. Said board shall consist of the several members of the board of commissioners of State institutions and the Commissioner of Insurance.

Sec. 4. The State Board of Insurance shall have entire control and management of said insurance business, and shall have authority to bind the State by the issuance in the name of the State of Florida of policies of insurance, and shall appoint the necessary soliciting agents, who shall be required to give such bond as may be required by the board for the honest and faithful discharge of their duties. The said board may issue policies of life insurance upon the terms and conditions of all the various policies now in common use among the standard and old line insurance companies, the same to be conditioned in the same manner as the standard policies prescribed by the laws of the State of New York in force at the time of the passage of this act. Said board shall have full power to fix the rates of premiums to be charged for such insurance, but such premiums shall be such as will in the opinion of said board yield a net profit to the State of not over 5 per centum over and above ample provisions for all outstanding liabilities upon policies and current expenses of conducting the business; such premiums and percentages to be calculated upon the basis of the United States mortuary experience tables. For the payment of such insurance the credit of the State is hereby pledged.

Sec. 5. The Commissioner of Insurance shall perform and be responsible for all clerical work connected with the conduct of said insurance business, and shall have the general management thereof subject to the supervision and control of the State Board of Insurance.

Sec. 6. The Commissioner of Insurance is hereby authorized to employ such clerical aid as he may need at such compensation as may be fixed by the State Board of Insurance.

Sec. 7. The Commissioner of Insurance shall, before entering upon the discharge of his duties, enter into bond in the sum of $50,000, payable to the Governor, with approved security, conditional for the honest and faithful discharge of his duties, and for a faithful accounting for all moneys and securities coming into his hands as such commissioner.

Sec. 8. The Governor of the State shall be chairman of the State Board of Insurance, and the Commissioner of Insurance shall be secretary of said board.

Sec. 9. Each policy of insurance issued under authority of this act shall be signed by the Governor and the secretary of the State Board of Insurance.

Sec. 10. The State Board of Insurance shall within ninety days after the passage and approval of this act prepare complete plans for the conduct of such business of insurance, including forms of the various policies proposed to be issued, with tables showing the rates of premiums to be charged for

each, at the various ages of applicants for insurance; but no policy shall be issued to any applicant who is less than twenty years of age, nor to any over the age of fifty-five years. Such plans shall specify the amounts proposed to be paid to soliciting agents and the manner of such payments; and such plans shall generally cover in detail the entire field of the conduct of such insurance business, including the manner of keeping the accounts of such business. As soon as such plans are perfected the same shall be filed and recorded in the office of the Secretary of State in a book to be kept by him for such purpose. Such plans may be amended from time to time by said board, and all such amendments shall likewise be recorded in such book in the Secretary of State's office. Upon the record of such plans as herein provided, the State shall then begin the business of life insurance at home or abroad in accordance with the plans and regulations so adopted and recorded.

Sec. 11. The State Board of Insurance shall rigidly require of all soliciting agents a remittance to them, at least ten days before the end of each calendar month, of all moneys received by them for account of insurance after deducting any per centum to which they may be entitled for their services, and the commissioners shall on the last business day of each calendar month turn in to the State Treasurer all money so received by them, together with an itemized report of all insurance business transacted during such month. Such funds, after payment of all expenses of the conduct of the business, including the salaries of such commissioners, shall be and remain a sacred trust fund to be called the insurance fund for the payment of all outstanding policies of insurance for which the State shall be liable.

Sec. 12. Losses upon policies shall be audited and approved by the State Board of Insurance, and shall be paid by warrant of the Comptroller drawn upon the Treasurer, who shall pay the same out of such insurance fund. In case any loss shall be contested by the State the beneficiaries under the policy contested may bring suit against such commissioners in any court having jurisdiction thereof, and the final judgment recovered, if any, shall be paid out of such insurance fund by the warrant of the Comptroller drawn upon the Treasurer.

Sec. 13. The sum of $20,000 per annum is hereby appropriated from any funds in the State treasury for the purpose of paying the salary of the Commissioner of Insurance and other expenses connected with such insurance business for the first two years after the passage of this act, but after such first two years all such salary and all other expenses connected with such insurance business shall be paid out of such insurance fund on the warrant of the Comptroller to be drawn upon the State Treasurer.

Sec. 14. This act shall take effect immediately upon its passage and approval by the Governor.

House Bill No. 159, by Mr. Kirkland, is a copy of the present Anti-Trust Law in Arkansas.

TALLAHASSEE, Fla., May 11.—Both bills for insurance by the State have been reported back to the House without recommendation. It is not believed that either will become a law.

Illinois.

Springfield, Ill., May 6.—The House tonight advanced to third reading Senate Bill No. 315, by Mr. Berry, requiring casualty insurance companies to keep on hand a reserve equal to their liabilities based on their unpaid death claims.

Springfield, Ill., May 7.—The Illinois Legislature adjourned sine die at 5 o'clock this (Sunday) morning. No insurance bills of importance were passed during the closing days. The anti-trust bill, which applied to fire insurance companies, was defeated.

Michigan.

Lansing, Mich., May 12.—Both Houses have passed a bill increasing the minimum liability reserve from 40 to 50 per cent.

New York.

Albany, May 6.—An even dozen insurance bills passed the Legislature during the session just ended. Of this number five have already been signed by Governor Higgins. Altogether nearly fifty measures relating to insurance were introduced in the two Houses.

These are the bills that have become laws:

Mr. Warnick's Senate Bill No. 81, increasing the powers of the Schoharie and Schenectady Counties Farmers' Mutual Fire Association (same as introduced by Assemblyman Palmer, No. 120).

Mr. Malby's Senate Bill No. 156, proposing certain amendments to that part of Section 86 which charges an additional reserve liability against casualty corporations carrying on the business of employers' liability insurance. The factor now used in determining the cost per notice of injury is based upon the experience for eight years of a company which has been engaged in liability underwriting, while under the proposed amendment ten years is required. Under the present law a deduction of the average claim list is made in arriving at the reserve for claims. Under the amendment, instead of such a deduction, there is deducted the amount actually paid.

Mr. Ambler's Senate Bill No. 215, amending Section 117 so as to permit a fire insurance corporation to pay dividends in excess of 10 per cent., without the restrictions imposed by the present law, which requires that the company must have in addition to the amount of its capital stock and all actual outstanding liabilities an unearned premium fund equal to the whole amount of premiums received. In the Ambler bill the whole amount of premiums received is changed so as to read "unearned premiums."

The Senate taxation committee's insurance tax bill, Senate Bill No. 640 (same as introduced by House tax committee, House Bill No. 475).

Mr. Gates' Senate Bill No. 315, requiring the corporators of town and county co-operative insurance corporations each to own real estate of not less than $500 in value, and collectively to own insurable real estate of $50,000 value or over.

The following bills also passed both Houses, and are awaiting the Governor's action:

Mr. Ambler's Senate Bill No. 392, amending Section 52 so as to allow the amendment of charters by the insertion therein of any powers which at the time of the amendment may have been conferred by law upon domestic insurance corporations engaged in business of the same general character, or which might be included in the charter of a domestic insurance company organized under any general law for business of the same general nature.

Mr. Page's Senate Bill No. 757, providing that casualty and credit insurance corporations after June 1, 1905, shall not transact the business of providing insurance from loss and damage by reason of extending credit to their customers and those who deal with them, except such corporations as have been authorized by law to transact such business before said date; but such a corporation may continue to transact such business, with all the privileges theretofore possessed by it.

Mr. Ambler's Senate Bill No. 503, to require every individual or partnership or association of individuals known as Lloyds or as individual underwriters, now authorized by law to transact the business of fire or marine insurance within this State, to create and maintain hereafter a reserve fund equal to its liabilities. It is also provided that no such organization shall hereafter change its name or establish branches under other or different names or titles without first obtaining the written approval of the Superintendent of Insurance (same as introduced by Assemblyman Lewis, No. 798).

Mr. McEwan's Senate Bill No. 737, making printed copies of the constitution, bylaws and minutes of mutual benefit fraternities prima facie evidence of their legal adoption when sworn to by the officers of such organization (same as Mr. Mead's House Bill No. 1200).

Mr. Tompkins' House Bill No. 740, providing that the officers and trustees of fraternal beneficiary societies may be elected by

direct vote of individual members (same as introduced by Senator Page, No. 380).

Mr. Grady's Senate Bill No. 1011, amending Section 25 of the insurance law so as to provide that no insurance corporation organized under the laws of another State of the United States, or organized under the laws of any country outside of the United States, shall transact any business of insurance in this State while any of its funds are invested in or loaned on its own stock or the stock of any other insurance corporation carrying on the same kind of insurance business. Any such corporation now authorized to transact business in this State with investments in conflict with the provisions of this section shall, upon notice from the Superintendent of Insurance, dispose of such investments within ninety days from such notice, or the Superintendent of Insurance shall thereupon cancel and revoke its certificate of authority to transact business in this State.

Senate committee's Senate Bill No. 943, providing that whenever it shall appear to the Superintendent of Insurance that the actual expenses of management of any life or casualty corporations upon the co-operative or assessment plan for the preceding year were more than 35 per cent. of the cash income actually received from premiums, assessments and membership fees, the certificate of authority of such corporation, if a foreign corporation, shall be revoked, and if a domestic corporation it must cease doing new business at once.

Texas.

Austin, Tex., May 10.—The question of further drastic legislation against insurance companies doing business in Texas has been unexpectedly reopened. At the regular session of the Legislature which closed on April 15 a law was passed taxing the gross receipts of life insurance companies 2 per cent., fire insurance companies 1½ per cent. and all other insurance companies 1 per cent. The free conference committee which adjusted the differences of the two legislative branches on this bill tacked on a rider imposing a heavy annual franchise tax on all insurance companies. This franchise tax was due and made payable to the Secretary of State on May 1 of each year. To avoid payment of the tax for this year and to test the constitutionality of the new law forty-three of the principal fire insurance companies operating in Texas joined in a suit that was filed a few days ago in the District Court here to enjoin the Secretary of State from collecting the franchise tax assessed against them under the new law. A temporary restraining order was granted, and the case will come up for trial on its merits on May 13.

In order to checkmate this move on the part of the insurance companies to nullify the law, Governor Lanham submitted to the special session of the Legislature the insurance taxation subject, with the recommendation that laws be enacted correcting the alleged defects in the law which the insurance companies are seeking to enjoin. In compliance with his recommendation on the subject two new insurance tax bills have been introduced in the House. One places a tax of 2½ per cent. on the gross receipts of all insurance companies and the other fixes a graduated franchise tax scale on their authorized capital stock.

Miscellany.

National Board of Fire Underwriters—Thirty-ninth Annual Meeting.

The National Board of Fire Underwriters convened for its thirty-ninth annual meeting on Thursday in the rooms of the New York Board, Mutual Life Building. President John H. Washburn rapped for order at 11 o'clock, and the roll of companies was called, the following being among the representatives present: Manager J. A. Kelsey, Aachen and Munich; President Wm. B. Clark, Secretary W. H. King, Ætna of Hartford; Secretary Chas. H. Hahn, Albany insurance company; President J. H. Packard, Jr., Secretary Waite Bliven, American of Philadelphia; Secretary Wm. Wood, Anchor Fire of Cincinnati; Manager Frank Lock, Atlas; President E. A. Read, Jr., Camden Fire Association; President G. A. Van Allen, Commerce of Albany; Manager A. H. Wray, Commercial Union; President Henry Evans, Continental; President Tatnall Paulding, Delaware of Philadelphia; President Lindley Murray, Jr., Empire City Fire; President F. W. Arnold, Secretary S. G. Howe, Equitable Fire and Marine; President E. C. Irvin, Fire Association of Philadelphia, Vice Presidents Muir and Conderman and Secretary M. G. Garrigues; Eastern Manager Kellogg, of the Fireman's Fund; President W. N. Kremer, of the German Alliance and German American; Vice President George B. Edwards, of the Germania Fire; Vice President R. M. Bissell, Assistant Secretary Thomas Turnbull, Hartford Fire; Vice President E. H. A. Correa, Home; President J. M. Hare, Indemnity and manager Norwich Union; President Geo. P. Sheldon, Phenix; President D. W. C. Skilton, Phœnix of Hartford; Assistant Manager L. P. Bayard, Phœnix of London; President J. B. Branch, Providence-Washington; Vice President Geo. W. Burchell, Queen; President Wm. Chubb, Reliance of Philadelphia; Assistant Manager F. W. Day, Royal; General Manager U. C. Crosby, Royal Exchange; Secretary H. C. Fuller, Security, New Haven; M. L. Hewes, superintendent of agencies, Scottish Union and National; President C. E. Porter, Spring Garden; Henry H. Hall, manager Union Assurance and State of Liverpool and president Victoria; Secretary C. A. Garthwaite, Stuyvesant; President C. S. Hollinshead, Union of Philadelphia; President R. B. Beath, United Firemen's; Secretary E. K. Beddall, Victoria; President Geo. R. Crawford, Westchester Fire; President Marshall S. Driggs, Secretary F. H. Way, General Agent F. H. Douglass, Williamsburgh City Fire.

President Washburn, relinquishing the chair, read his address as follows:

PRESIDENT'S ADDRESS.

Gentlemen of the National Board of Fire Underwriters:

The year 1904 was a notable one for fire underwriters in many ways. Following a year of exceptional profit, its fire losses exceeded those of any year on record, not excepting 1872 and 1873 when the great fires of Chicago and Boston startled the nation.

To an unusually large list of fires must be added the Baltimore conflagration, destroying nearly fifty millions of property, and twelve fires less destructive and yet consuming values varying from $600,000 to $2,000,000 in each case. During the four months of the present year no less than seven such conflagrations have occurred with loss in each case running from $500,000 to $3,000,000.

Such a situation may well cause all interested in fire insurance to stop and consider well what they should do to save themselves from destruction. The executive committee of the National Board, at a meeting held shortly after the Baltimore fire, appointed a committee to examine the conditions in various cities and recommend such improvements as would lessen the liability to extensive conflagrations, and made an appropriation of $100,000 for the use of the committee, and their action was confirmed by the board at the annual meeting.

Under this appointment the committee has employed a large force of surveyors and engineers and made reports upon some twenty cities, as will appear in detail in their report.

The results which were hoped for have not yet been attained in the improvement of conditions and the companies have not been able or disposed to advance rates when the reports disclosed the need for such advance; and before voting a continuation of the expense for another year the board

should give very careful consideration to the following points:

(1) The reports made by the committee on fire departments and water supply, while not so elaborate and covering a multiplicity of matters of no practicable service, really cover all the needs of underwriters quite as fully as the more expanded reports of the committee of twenty, and the cost is comparatively trifling. It is about $5,000 a year with one inspector, and the number might easily be increased to, say, five—these for $25,000 furnishing the companies with as much information on matters really important to them as can be expected from the appropriation of something over $100,000 asked by the committee of twenty, and covering the field more rapidly.

(2) Many companies are complaining of the heavy assessment required for the last year—some two and a half times the cost of the ordinary work of the board, and if they are required to contribute to this expense, the number of companies belonging to the board will be very considerably reduced. I commend this subject to your very careful attention.

In this connection it may be well to call your attention to the rapid increase in the annual expense of local boards, inspection bureaus, and rating associations, as shown by the following figures:

	1901.	1902.	1903.	1904.
General and Rating Associations, Inspection Bureaus and Local Boards,	$1,358,084.37	$1,945,410.46	$2,200,516.92	$2,416,420.26
Patrols and Protective Organizations	636,782.38	681,337.25	727,417.45	732,695.32
Totals	$1,994,866.75	$2,626,747.71	$2,927,934.37	$3,149,115.58

During the past year an effort was made to establish a school of correspondence on insurance topics, but the plan was finally abandoned, owing to a lack of interest on the part of those who would be benefited by such a school. Several of the universities, however, have recognized the importance of the subject, and have established courses of study or lectures upon it. This was suggested some years ago by the then president of the board, and, after many days, his suggestions have begun to bear fruit.

The discussion of the question of national supervision of insurance has received renewed stimulus from the suggestions of the President's message and in the report of the Secretary of Commerce and Labor. Two bills have been introduced in Congress looking to that end, neither of which would be satisfactory to underwriters without radical amendments. They, however, open the door for the discussion of the question, and a settlement of the authority of Congress in the matter. There is room for a good deal of controversy as to the benefit to the business of national supervision, which does not supersede that of the several States in all cases of interstate transactions.

If by such supervision the companies could be relieved of burdensome legislation and increasing taxes, and could secure uniformity of policies and of legal decisions, it would be well worth while to try the plan.

The death roll for the past year is longer than usual, and includes many prominent underwriters:

H. M. Magill, Cincinnati, Ohio, for many years Western general agent of the Phœnix insurance company, of Hartford, and ex-president of "The Union." Died September 21, 1904.

A. H. Sawyer, Watertown, N. Y., president of the Agricultural insurance company. Died November 1, 1904.

Thomas F. Goodrich, ex-president of the Niagara insurance company. Died November 9, 1904.

Alfred James, Milwaukee, Wis., president of the Northwestern National insurance company. Died December 4, 1904.

James E. Tillinghast, Providence, R. I., vice-president of the Equitable Fire and Marine insurance company. Died January 30, 1905.

Frederick Cook, Rochester, N. Y., president of the Rochester-German insurance company. Died February 17, 1905.

John Tenney, Philadelphia, Pa., manager of the Royal insurance company, Philadelphia department. Died March 28, 1905.

Thomas H. Montgomery, Philadelphia, Pa., president of the American insurance company, general agent of the National Board of Fire Underwriters 1872-78. Died April 4, 1905.

In view of the fact that Mr. Montgomery was general agent of this board for so many years, and very active in his service, the executive committee adopted a minute, after his death, which will be found appended to this address.

The reports of the executive committee, the various standing committees, and the committee of twenty, will show you what has been accomplished since the last meeting of the board, and I am sure you will agree with me that your thanks are due for their faithful and constant attention to the duties imposed upon them.

The terms of office of the following named members of the executive committee, Messrs. William N. Kremer, Geo. W. Burchell and C. L. Case, terminate at this time and their successors must be elected. They are not eligible for reelection until the lapse of a year. In addition, a president, vice president, secretary and treasurer are to be elected at this meeting.

The usual tables are appended and it is only necessary for me to call your attention to them without introducing any figures here.

The members of the board are to be congratulated upon the satisfactory condition of the companies notwithstanding the severe ordeal through which they have been passing, and although this organization has nothing to do with making rates or fixing commissions, it has in other ways contributed not a little to the success and prosperity of the companies.

JOHN H. WASHBURN, President.

MEMORIAL TO THOMAS H. MONTGOMERY.

Adopted by Executive Committee, April 27, 1905.

The executive committee of the National Board of Fire Underwriters has received with deep regret the announcement of the death of Thomas H. Montgomery, president of the American Fire insurance company, of Philadelphia, which occurred in that city on April 4, 1905. Mr. Montgomery was the general agent of this board for six years, 1872-1878, during one of the most active periods of its existence, when rates of fire insurance premiums for the whole country were adjusted from the central office in New York city through reports from a corps of special and supervising agents and local boards, and discharged the duties of that office with faithfulness and ability. In 1892 he was elected vice president of the board and declined to consider a nomination for the presidency owing to other duties and demands upon his time. He was continuously a member of the committee on laws for eleven years, 1884-1905.

In view of his long connection with the board and of his services to American underwriting, this minute to his memory is adopted, and with it will go an expression of our appreciation of his merits as a man and a beloved associate.

Resolved, That a copy of this expression be spread upon our minutes, and also be transmitted to his family.

The appendix to the president's address gives the letter to the President of the United States on the fire loss of the country by the National Board of Fire Underwriters, dated November 22, 1904, and the reply of Secretary Shaw of the Treasury Department, to whom it was referred.

TABLES.

The usual tables are included in the appendix as follows:

ANNUAL FIRE LOSSES IN THE UNITED STATES FOR THIRTY YEARS—1875-1904.

YEARS.	Aggregate Property Loss.	Aggregate Insurance Loss.	YEARS.	Aggregate Property Loss.	Aggregate Insurance Loss.
1875	$78,102,285	$39,327,400	1890	$108,993,792	$65,015,465
1876	64,630,600	34,374,500	1891	143,764,967	90,576,918
1877	68,265,800	37,398,900	1892	151,516,098	93,511,936
1878	64,315,900	36,575,900	1893	167,544,370	105,994,577
1879	77,703,700	44,464,700	1894	140,006,484	89,574,699
1880	74,643,400	42,525,000	1895	142,110,233	84,689,030
1881	81,280,900	44,641,900	1896	118,737,420	73,903,800
1882	84,505,024	48,875,131	1897	116,354,575	66,722,145
1883	100,149,228	54,808,664	1898	130,593,905	73,796,080
1884	110,008,611	60,679,818	1899	153,597,830	92,683,715
1885	102,818,796	57,430,709	1900	160,929,805	95,403,650
1886	104,924,750	60,506,564	1901	165,817,810	100,798,645
1887	120,283,055	69,659,508	1902	161,078,040	94,460,525
1888	110,885,665	63,965,724	1903	145,302,155	.....
1889	123,046,833	73,679,465	1904	229,198,050	.....

CONFLAGRATIONS INVOLVING LOSSES OF $500,000 AND OVER OCCURRING 1904-5.

1904.		
Jan. 20	—Shelby, Ohio, steel tube warehouses	$1,500,000
Feb. 7	—Baltimore, Md., general	50,000,000
" 26	—Rochester, N. Y., general	3,000,000
" 10	—Oswego, N. Y., starch factory	750,000
May 25	—Yazoo City, Miss., general	2,000,000
" 29	—Jersey City, N. J., piers	660,000
June 4	—Peoria, Ill., distillery and cattle sheds	1,000,000
July 5	—Boston, Mass., grain elevator and freight houses	700,000
Sept. 7	—Memphis, Tenn., mercantile buildings	750,000
Nov. 17	—Charlestown, Mass., piers and sheds	600,000
Dec. 14	—Minneapolis, Minn., general	830,000
" 23	—Sioux City, Ia., business section	1,860,000
" 31	—Chicago, Ill., three business houses	600,000
		$64,250,000
Conflagrations prior to 1904 (since 1866)		478,037,135
		$542,287,135

Since January 1, 1905, the following conflagrations have occurred:

1905.		
Jan. 29	—Omaha, Neb., several business houses	$630,000
Feb. 19	—Indianapolis, Ind., several business blocks	1,070,000
" 21	—Boston, Mass., wharves and steamer	1,250,000
" 25	—Hot Springs, Ark., general	1,500,000
" 26	—New Orleans, La., railroad property and other	3,209,000
" 28	—East Liverpool, Ohio, hardware house and other	500,000
Mar. 7	—Cedar Rapids, Ia., cereal mill	1,500,000

TABLE A.

FIRE UNDERWRITING RESULTS, 1904.

EXPERIENCE OF 144 JOINT STOCK FIRE INSURANCE COMPANIES, AMERICAN AND FOREIGN, REPORTING TO THE NEW YORK INSURANCE DEPARTMENT.

Premiums—Fire, marine and inland	$212,391,691	
Losses paid fire, marine and inland		$131,095,629
Increase in liabilties during the year (outstanding losses, unearned premiums and all other claims)		13,071,220
Actual expenses		78,441,282
Loss 4 81-100 per cent. of premiums	10,216,440	
	$222,608,131	$222,608,131

TEN YEARS, 1895 TO 1904 INCLUSIVE.

Premiums—Fire, marine and inland	$1,542,103,990	
Losses paid		$881,556,455
Increase in liabilities during the period (outstanding losses, unearned premiums and all other claims)		77,959,781
Actual expenses		573,905,156
Profit for the period 56-100 per cent. of premiums		8,682,598
	$1,542,103,990	$1,542,103,990

TABLE B.

TAXATION OF FIRE INSURANCE COMPANIES.

SHOWING THE RATIOS OF TAXES TO PREMIUMS AND OF TAXES TO PREMIUMS LESS LOSSES, COMPILED FROM OFFICIAL FIGURES OF ALL COMPANIES REPORTING TO THE NEW YORK STATE INSURANCE DEPARTMENT.

YEARS.	No. of Cos.	Premiums, including Marine and Inland.	Losses Paid, including Marine and Inland.	Amount of Taxes Paid.	Ratio of Taxes to Premium.	Ratio of Taxes to Premiums Less Losses.
1891	129	$110,561,043	$69,007,452	$2,596,902	2.35	6.25
1892	130	124,086,350	78,334,159	2,727,974	2.20	5.96
1893	127	127,958,537	87,943,433	2,961,571	2.31	7.40
1894	121	124,649,370	76,059,189	2,829,401	2.27	5.82
1895	121	124,508,829	70,732,994	2,941,418	2.36	5.47
1896	134	124,440,058	67,162,474	3,145,117	2.53	5.49
1897	152	126,764,778	63,623,107	3,322,826	2.61	5.26
1898	162	127,730,726	74,660,521	3,900,134	3.05	7.34
1899	162	134,450,639	91,031,677	4,495,332	3.34	10.35
1900	158	147,709,062	92,472,967	4,736,250	3.21	8.57
1901	146	163,526,207	96,363,509	4,621,006	2.83	6.88
1902	145	185,494,632	97,950,790	4,947,898	2.67	5.65
1903	147	196,532,866	96,834,018	5,474,156	2.78	5.49
1904	144	212,391,691	131,095,629	5,577,225	2.63	6.86

From the above it will be seen that

In 1891	there	was	a loss of	$9,218,797	when a tax was paid of		$2,596,902
1892	"	"	"	6,377,489	"	"	2,727,974
1893	"	"	"	10,410,102	"	"	2,961,571
1898	"	"	"	1,919,650	"	"	3,900,134
1899	"	"	"	18,428,693	"	"	4,495,332
1900	"	"	"	6,277,994	"	"	4,736,250
1901	"	"	"	8,941,703	"	"	4,621,006
1904	"	"	"	10,216,440	"	"	5,577,225

GENERAL TABLES.

Table I of United States and Foreign Companies Combined for 1904 gives 61.78 as the ratio of losses to premiums for 1904, a considerable rise over 48.61 of 1903. The ratio of losses to risks in 1904 was .5228 as against .4207 in 1903.

Table II shows a decrease in the rate of premium from 1.1874 in 1903 to 1.1613 in 1904.

Table III indicates an advance in the ratio of expenses to premiums from 36.89 in 1903 to 36.93 in 1904.

Table IV shows a decrease in the ratio of commissions to premium receipts from 21.31 in 1903 to 21.22 in 1904.

TERM TABLES.

Tables VII and VIII are continued as showing the outstanding annual and term business combined, and also each class separately, together with the rates of premium on all classes. An analysis of the annual and term business gives the following exhibit:

YEARS.	Per Cent. of Term Risks to Total Risks.	Per Cent. of Term Premiums to Total Premiums.	Average Time of Risks in Force. Years.	Months.	Days.	Rate of Annual Premium Based on Average Time.	Rate of Premium without Regard to Average Time	Rate on One Year's Business.	Average Rate on 2, 3, 4 and 5 Years' Business.
1877-80 inclusive.	.3264	.3696	1	10	10	.5173	.9623	.9006	1.0896
1881-90 inclusive.	.4768	.4650	2	3	11	.4539	1.0347	1.0580	1.0091
1891	.5521	.5239	2	5	21	.4139	1.0220	1.0862	.9262
1892	.5472	.5112	2	5	11	.4317	1.0547	1.1387	.9732
1893	.5597	.5189	2	5	20	.4344	1.0708	1.1700	.9821
1894	.5752	.5258	2	6	2	.4362	1.0911	1.2179	.9674
1895	.5706	.5278	2	5	22	.4345	1.0743	1.1815	.9804
1896	.5747	.5340	2	5	21	.4295	1.0610	1.1625	.9513
1897	.5731	.5406	2	5	14	.4232	1.0395	1.1186	.9314
1898	.5928	.5639	2	6	..	.3998	.9998	1.0709	.8753
1899	.5895	.5579	2	5	3	.3959	.9867	1.0628	.9076
1900	.5912	.5490	2	5	3	.4002	.9999	1.1029	.9328
1901	.5833	.5378	2	5	2	.4161	1.0342	1.1469	.9538
1902	.5901	.5245	2	5	3	.4396	1.0986	1.2743	.9765
1903	.5996	.5328	2	6	6	.4468	1.1255	1.3131	1.0003
1904	.5966	.5378	2	6	5	.4504	1.1324	1.2975	1.0208

Treasurer Marshall S. Driggs then reported the total receipts of the Board for the year to be $177,121.90, the total disbursements $159,171.51, leaving a balance in the treasury of $17,949.59.

Chairman William N. Kremer, of the executive committee, in presenting his report gave a resume of the action taken by the committee during the year on various matters the results of which are embodied in the reports of the various sub-committees, among them the favorable recommendation for an appropriation of $104,500 to continue the work of the Committee of Twenty, and the work done in promulgating matter of interest to the companies during the year, with also reference to the authorization by the executive committee of the action of the committee on laws in bringing action to test the Arkansas anti-trust law. Reference was made to the death of President Stevens, of the Agricultural, a former member of the committee. The report was accepted with the exception of the portion referring to the appropriation for the Committee of Twenty, which was held over for consideration in connection with the report of that committee later.

The report of a special committee named to present a testimonial to Frederick W. Arnold, who retired last year as treasurer after a long service, was made by President William B. Clark, of the Ætna. He read a letter which accompanied a fine hall clock recently sent to Mr. Arnold's home, and also a letter from Mr. Arnold expressing his acknowledgments for the gift. Mr. Arnold got up after Mr. Clark sat down and repeated verbally his high appreciation of the remembrance.

The appointment of the nominating committee for the election of officers being in order, President Washburn told off the ex-presidents of the Board who were present, Messrs. Skilton, Clark, Irving, Beach, Sheldon, Eaton and Hall, to frame the slate.

The report of the finance committee was read by Chairman Herrick, and action on the proposed usual assessments was postponed until after the consideration of the report of the Committee of Twenty.

President George P. Sheldon, of the Phenix, presented the

report of the committee on laws as follows, in the absence of Chairman George L. Chase:

REPORT OF THE COMMITTEE ON LAWS.

The number of bills relating to insurance introduced into the legislatures of the several States during the past winter probably exceeded that of any former year. In character they were similar to those appearing in recent years, the so called anti-compact measures, however, becoming more frequent. Your committee has for the most part left to the resident underwriters in the several States the task of opposing these measures, although circulars have been issued in a number of instances, and much printed matter has been distributed.

In Arkansas the revised anti-compact or so called Logan-King bill passed January 23, taking effect sixty days after its passage. This bill repealed the act of March 6, 1899, and was entitled "An Act Providing for the Punishment of Pools, Trusts and Conspiracies to Control Prices, and as Evidence and Prosecution in Such Cases." The following is the form of affidavit prescribed by the law to be executed by each company continuing business in the State:

AFFIDAVIT.

STATE OF ARKANSAS,
County of.....

I, ..., do solemnly swear that I am the ..... (president, secretary, treasurer or director) of the corporation known and styled ....., duly incorporated under the laws of ....., on ..... day of ....., and now transacting or conducting business in the State of Arkansas, and that I am duly authorized to represent said corporation in making this affidavit; and I do further solemnly swear that the said ....., known and styled as aforesaid, has not since the ..... day of ..... (naming the day upon which this act is to take effect) created, entered into or become a member of or a party to, and was not on the ..... day of ....., nor at any day since that date, and is not now a member of or a party to any pool, trust, agreement, combination, confederation or understanding with any other corporation, partnership, individual, or any other person or association of persons, either in this State or elsewhere, to regulate or fix in this State, or elsewhere, the price of any article of manufacture, mechanism, merchandise, commodity, convenience, repair, any product of mining, or any article or thing whatsoever, or the price or premium to be paid for insuring property against loss or damage by fire, lightning, storm, cyclone, tornado, or any other kind of policy issued by the parties aforesaid; and that it has not entered into or become a member of or a party to any pool, trust, agreement, contract, combination or confederation, to fix or limit in this State or elsewhere the amount or quantity of any article of manufacture, mechanism, merchandise, commodity, convenience, repair, any product of mining, or any article or thing whatsoever, or the price or premium to be paid for insuring property against loss or damage by fire, lightning, storm, cyclone, tornado, or any other kind of policy issued by the parties aforesaid; and that it has not issued and does not own any trust certificates, and for any corporation, agent, officer or employee, or for the directors or stockholders of any corporation, has not entered into and is not now in any combination, contract or agreement with any person or persons, corporation or corporations, or with any stockholder or director thereof, the purpose and effect of which said combination, contract or agreement would be to place the management or control of such combination or combinations, or the manufactured products thereof, in the hands of any trustee or trustees, with the intent to fix or limit the price or lessen the production and sale of any article of commerce, use or consumption, or to prevent, restrict or diminish the manufacture or output of any such article.

Subscribed and sworn to before me a ..... within and for the County of ..... this ..... day of ..... 1.....

.....

The gravity of the situation was such that this committee, acting under the authority of the executive committee, took steps to test the constitutionality of the law, as members have already been advised. Nearly all of the companies withdrew from the State, as the penalty was fixed at from $200 to $5,000 per each day of violation of the law. Any developments of interest in the progress of the suit will be reported by the committee from time to time if necessary.

In the case of the Marks suit under the Mississippi anti-trust law at Vicksburg, referred to in our last annual report, the demurrer of the companies through their attorneys was sustained in the United States Circuit Court, January 6, 1905, and the suit dismissed. The second suit by the same party, which was an action for alleged slander, is still pending, and the attorneys of the companies suggested its withdrawal, as it would have to be defended on the same statement of facts as the other suit, to which the plaintiff was willing to assent, provided he were reimbursed for his actual expenses. To this the committee declined to accede, and we are not yet informed whether the suit will be pressed to trial or not.

The committee held a meeting to consider the new Texas tax laws just passed before the adjournment of the Legislature. One of the bills (House 53), which became a law March 1, exempted companies from the franchise tax; but House Bill No. 12, as finally amended and passed April 14, taxes them 1½ per cent. on gross premiums, and also requires them to pay the franchise tax as therein provided. While it was suggested that the Secretary of State be enjoined from collecting the franchise tax, yet the shortness of time allowed between the passage of the act and the payment of the tax (fifteen days) and want of definite information compelled the committee to leave the matter to the individual action of companies.

Another bill passed in Texas was to prevent reinsurance in companies not authorized to do business in the State, and one to forbid removal of suits to the Federal courts, which latter, however, was vetoed by the Governor.

As a matter of record should be noted here the dismissal of the Texas anti-trust suits against the companies for want of sufficient evidence to prosecute them.

Tennessee must be added to the list of anti-compact States, although the law was amended before passage so as to permit associations of fire insurance agents "for the purpose of minimizing expenses by the employment of joint inspectors or experts for preparing rating schedules, and designating improvements, with a view to the reduction of the cost of insurance."

In Maine the Standard policy was changed in regard to giving notices of loss, by substituting for the word "forthwith" the words "within a reasonable time," a distinction with little difference, but involving considerable trouble in reprinting policies. We are advised that the Insurance Commissioner will permit the change "by rider, by printing in and out, or in any other conspicuous manner."

In Massachusetts there was a slight amendment to the Standard policy law, which provides that the Insurance Commissioner shall in certain cases appoint a third referee, such referee to be an impartial person, not connected with insurance companies.

North Dakota passed a bill prohibiting the removal of cases to the United States courts.

In Minnesota a fire marshal law was passed taxing companies one-quarter per cent. upon their premiums for its execution. It is not clear to us why fire companies should be taxed for process against incendiaries any more than banks or merchants should be taxed for the execution of the laws against burglary or shoplifting.

Mississippi passed a bill which permits a deduction of the premiums paid for reinsurance in authorized companies from the premiums upon which the 2 per cent. tax is based.

While this report is in preparation anti-trust bills applying to insurance companies are pending in the States of Florida, Illinois and Michigan.

Your committee has been assisted by associates in many of the States, and desires to acknowledge the value of their services. It is gratifying to report that in many of the States while a flood of obnoxious bills appeared, but few were passed. This is especially true of New England, the Middle States and the Southeastern States, where associates were active in watching your interests and our thanks are due them.

The following is compiled from the reports of insurance departments showing the excess of fees, etc., over expenses of such departments:

Year.	No. of States.	Licenses and Fees.	Expenses.	Excess Fees over Expenses.
1901	19	823,097	$339,135	$483,962
1902	21	731,774	263,036	468,738
1903	19	625,765	256,013	369,752
1904	15	571,083	210,707	360,376

It is with deep regret that the committee records the loss by death of Thos. H. Montgomery, its associate for eleven years on the committee, and former general agent of the board.

REPORT OF THE COMMITTEE ON INCENDIARISM AND ARSON.

Chairman G. A. Van Allen, of the committee, said in part:

There were 130 rewards offered during the year, amounting to $43,800. Only three were paid. The number is smaller both as to those offered and those paid than for many years past. This is the more observable because it occurs in a year when the fire loss of the country exceeds any former year.

The committee joins in the recommendation of the finance committee that the usual assessment of one-half cent on each $100 of premiums in 1904 be made at this meeting.

REPORT OF THE COMMITTEE ON STATISTICS.

Chairman George W. Babb submitted the usual tabulation of statistics in cities of 20,000 population and upward, and said in part:

Your committee regrets again to mention the fact that in many cases the insurance agents have failed to co-operate with the chief engineers of the fire departments in collating

the desired information. Many of the questions can be better answered by the chiefs of the fire departments, but some of them, such as those relating to insurance carried and the insurance loss, can only be given by the chiefs when furnished to them by the agents. We append extracts from several letters received on this subject, and trust that companies will, when requested by this committee, instruct their agents at these or other points where it may be necessary to support the work of the committee in order to give to the fire departments and patrols every facility necessary for completing the blank.

Acting upon a recommendation of this committee the executive committee authorized the preparation of a Record Book designed for the keeping of statistics of fires in accordance with the committee's blank, and a sufficient edition was published to supply each of the 252 cities on the list, and also the fire patrols in cities where such exist. The acknowledgments show that this action of the Board was very generally appreciated, and we think the facility which the books afforded for keeping the records resulted in better reports than in former years.

Last year your committee selected such cities from the list as gave the necessary data and showed the average number of fires to population, fires confined to buildings and average loss per capita in such cities for 1903 and 1904. This year the table is extended to four years—1901 to 1904, inclusive, as of 157 cities, with the following result:

Year.	No. Cities.	Population.	No. Fires.	Total Loss.	No. Fires to 1,000 Pop.	Loss per Capita.
1901....	157	16,543,837	58,534	$51,162,921	3.54	$3.09
1902....	157	16,544,137	55,234	42,745,707	3.34	2.58
1903....	157	16,675,348	60,766	41,800,144	3.64	2.51
1904....	157	16,734,556	65,680	42,360,499	3.92	2.53

The table of fires from electricity is continued, showing an increase of electric fires over 1903, but no marked change over the whole period.

Year.	No. of Companies.	Fires from Electricity.		Fires from all Causes.		Percentage Electric Fires to	
		No.	Loss.	No.	Loss.	Total No.	Loss.
1900	33	1,484	$529,986	64,596	$21,167,024	2 3-10	2 1-2
1901	29	1,793	747,861	85,396	22,023,391	2 9-10	3 3-5
1902	55	3,774	1,684,110	172,247	38,868,989	2 19-100	4 33-100
1903	34	1,890	635,607	100,682	24,650,519	1 87-100	2 57-100
1904	41	3,513	1,339,126	139,681	40,740,778	2 51-100	3 28-100

On October 25 last your chairman addressed a letter to the Hon. John Hay, Secretary of State, asking whether it would be in order to procure through consuls abroad statistics of fires in European cities similar to those we are collating here of American cities. The matter was referred to the Department of Commerce and Labor, and O. P. Austin, chief of the Bureau of Statistics, replied favorably, conferring with us as to the cities which it was thought desirable to include and the character of the questions to be asked. The information is not available for the present report, but we trust it will be next year.

REPORT OF THE COMMITTEE ON FIRE DEPARTMENTS, FIRE PATROLS AND WATER SUPPLY.

The committee on fire departments, fire patrols and water supply, by Mr. Wm. B. Kelley, in the absence of Chairman Young, reported a continuance of the work under Inspector William H. Johnson. During the fiscal year the following named places were inspected: Topeka, Kan.; Camden, N. J.; Hagerstown, Md.; Frederick, Md.; Buffalo, N. Y.; Albany, N. Y.; Washington, D. C.; Detroit, Mich.; Lynn, Mass.; Rutland, Vt.; New Haven, Conn.; Manchester, N. H.; Greenwich, Conn.; Norwalk, Conn.; South Norwalk, Conn.; New London, Conn.; Norwich, Conn.; Meriden, Conn.; Hartford, Conn.; Winsted, Conn.; New Britain, Conn.; Perth Amboy, N. J.; Stamford, Conn.; Newburyport, Mass.; Cohoes, N. Y.; Elmira, N. Y.; Kingston, N. Y.; Springfield, Mass.; North Adams, Mass.; Adams, Mass.; Pittsfield, Mass.; Chicopee and Chicopee Falls, Mass.; East Liverpool, Ohio; Fremont, Ohio, and Akron, Ohio.

The results of the work of the committee having thus been placed before members during its progress further report at this time hardly seems necessary. It has, however, been suggested that members may be interested in knowing what improvements have been actually effected, and with that view correspondence has been had with cities inspected within the past two years, although many have not been heard from. The improvements in cities reported upon by the Committee of Twenty are not mentioned in the synopsis appended, although, as a matter of fact, Inspector Johnson has visited nearly all of those cities since 1901, making very full recommendations, many of which were adopted, as at Norfolk, Va.; Allegheny, Pa.; Buffalo, Albany, Troy, Syracuse and Rochester, N. Y., and Providence, R. I.

It is earnestly suggested that members carefully examine the report of improvements actually accomplished through the efforts of the committee on fire departments and water supply. A continuance of this work is recommended under an increased appropriation sufficient to enlarge the service to such an extent as may seem desirable to the board.

COMMITTEE ON LIGHTING, HEATING AND PATENTS.

The secretary read the report of the committee on lighting, heating and patents. The reports of the Underwriters' Laboratories, the Consulting Engineers and the Underwriters' National Electric Association were appended, with details of the various rules and devices approved. The Underwriters' Laboratory work was specially commended, and the same appropriation for that work as last year, $12,000, recommended. Fifteen hundred dollars was recommended for the Consulting Engineers and the N. F. P. A., and $1,000 for the Underwriters' National Electrical Association.

REPORT OF THE COMMITTEE ON CONSTRUCTION OF BUILDINGS.

Chairman C. G. Smith, of the committee on construction of buildings, read the following report:

At the last annual meeting of the board, this committee received your authority for the preparation of the building code as then recommended, and at once proceeded with the work, to which the committee has devoted much time and most careful consideration. It was found impossible to hasten a matter in which so many interests were involved, as criticisms and suggestions from many quarters were desired. There was also delay in awaiting the result of certain fire tests of importance given to demonstrate the strength and durability of floor arches and fireproof materials. It was, therefore, not until August last that the first proof was ready for distribution, and on the 22d of that month this was sent out with the circular, from which we quote as follows:

The committee solicits criticism of the law by companies and others. Expert advice has been sought upon all mechanical problems involved, so that it is assumed that the conclusions in that respect may be safely accepted. Special attention, however, is directed to the following sections particularly interesting underwriters:

Area and height of all classes of buildings, Section 30, p. 40, Section 33, pp. 47-50; vertical openings of all classes of buildings, Section 75, pp. 100-101, Section 79, p. 104, Sections 96-97-98-99, pp. 122-126, Section 102, p. 128; proper covering of all metal composing the principal member of the structure, Section 108, pp. 150-152; fireproof floor filling, Section 107, pp. 144-148; furred walls, sheathing, blind attics and other concealed spaces, Section 47, p. 60, Section 72, pp. 98-99; electrical installations, Section 90, p. 117; fire doors and shutters, Section 105, pp. 139-140; internal fire apparatus, Section 103, pp. 129-133.

In reply many criticisms and suggestions were received, which it was necessary to tabulate and consider. The committee then prepared and passed upon revised proofs, several of which were sent to experts for criticism, with the result that the code is now completed and presented for general distribution. In the progress of our deliberations the members of the executive committee of this board were consulted as to the stringency of the laws to be recommended, and we have endeavored, as far as was practicable, to follow their opinion in favor of making the law a model one. There can be no doubt of the urgent need of the adoption of adequate building ordinances. Many of our cities today, with their lack of effective building laws, are in a condition similar to that of Baltimore before the great conflagration of February, 1904. A circular sent out by our committee in June last developed the fact that a large number of cities of 20,000 to 50,000 inhabitants were entirely without building regulations. It was not deemed necessary to follow the suggestion made last year that a code for smaller cities be issued separately, since it was found that laws for proper construction which would be equally effective in towns or cities could be condensed into one edition.

Good construction is as necessary in one place as in another, and the rapid growth of many of the cities and towns

in the United States makes it apparent that the best obtainable rules for construction should apply to both.

As is stated in the preface of the code, the committee fully realizes that the proposed law, which we now submit, has its imperfections. It was decided, however, to issue it in its present form as a first edition, inviting further suggestion of amendment, which will be welcomed and carefully noted for use in future editions.

In the meantime the committee will make an effort to secure the general adoption of the code, it being the intention to send a copy to every city, as well as to all towns in the United States having a population of seventy-five hundred or more, and hopes at our next annual meeting to report satisfactorily thereon.

It may be added that the preparation of the law has been accomplished without exceeding the appropriation of $1,000 voted by the executive committee under the resolution of the board providing for the work.

It is expected that funds will be needed to continue our labors, and the committee recommends that a like sum be appropriated for the coming year.

ADJUSTMENTS, CLAUSES AND FORMS—MEMBERSHIP.

Chairman Frank Lock, of the committee on adjustments, presented no formal report, and said that although the committee could report progress, underwriters had been so busy in other ways during the past year that they had not given much attention to the subject of co-operation in the adjustment of losses.

Chairman George W. Hoyt, of the committee on clauses and forms, read a list of those which have been approved and promulgated at various times during the past year.

Chairman C. E. Porter, of the membership committee, before submitting his report read the application of the Pelican for admission to the Board, which was immediately acted upon favorably. He then stated that the membership was at present 115 companies, as against 116 companies last year. The Eagle Fire and Pelican were the only admissions, while the Kings County Fire, the Manchester and the National of Ireland had retired.

REPORT OF THE COMMITTEE OF TWENTY.

President Henry Evans, of the Continental, as chairman, then presented the report of the Committee of Twenty, detailing the work already accomplished by that body and what it was proposed to do in the future. He said that so far the expense had been $81,500, or at the rate of between $9,000 and $10,000 a month. Twenty-two reports on different cities have already been completed. The organization for the work is now perfected and running well, although some mistakes were made at the start. The defects found in various cities, he said, were due mainly to two causes, ignorance and graft. In the first case suggestions as to improvements were welcomed. But due to the slow action of city councils it was hard to get appropriations through for the changes recommended. Mr. Evans deprecated the recent rate advance in Hoboken, coming so soon after the report on that city. The work of the committee in testing engines, he stated, was of the greatest value. He believed the day of the fire engine is passing and the era of high pressure water mains is at hand. The city will soon save a large part of the money now spent for the fire department. The agitation for auxiliary high pressure fire mains in New York has resulted, he said, in laying plans for a system unequaled in this country. It is not intended to be a salt water system, but will have a salt water intake for use in case of necessity. The system provides for 12 inch mains, with hydrants 200 feet apart. He then read from the committee's report the following reasons for the continuance of the work, and submitted the report without recommendation, saying that he hoped the work would be continued, and that by the end of another year all the cities of importance in the country will have been reported on.

First—The conflagration hazard is the one great hazard the companies have to fear, as the loss by the burning of an individual risk is never great. If this hazard can be eliminated, the business of fire insurance will be placed on a much more stable basis. Unless our congested districts are improved the companies will not be able to carry the business, new competition will be forced into the field to carry this liability, and it will of necessity divide with us the other business, of which there is now less than is required to satisfy companies members of the Board.

Second—The work is a valuable argument against anti-compact legislators, because it has been done gratis without an increased rate. Its entire cost is not to be compared with the expense attaching to the opposition of misguided and hysterical legislation, superinduced by flat increases of rate and past actions and inactivities of the companies, now obviated by the committee's work.

Third—By providing expert advice gratis, for which the cities would have to pay handsomely if secured on their own account, the position of underwriters is strengthened materially. Kansas City paid $5,000 for a commission to examine into its water supply, and at that got advice from men who were unfamiliar with the insurance engineering problems involved. Nor did they receive the careful analysis of the fire department, building laws, electrical ordinances, conflagration hazard, etc., furnished by the committee, with the experience of 120 insurance companies to back it up.

Fourth—By doing the work of lax municipal administrations, the committee further strengthens the position of the companies in the eyes of the citizens.

Fifth—The entire cost of the work each year is not equal to the loss by one ordinary fire. Surely the labors of the committee are worth the price paid for one of the many fires which will be prevented.

Sixth—The formation of the committee makes possible the standardization of fire protection and prevention in general, as the Underwriters' Laboratories and N. F. P. A. have been doing with respect to devices and local methods.

Seventh—If the work is not continued and recourse is had to the old methods of charging for existing conditions and doing nothing to improve them, we shall experience on a broader scale a competition similar to that furnished by the mutuals, whose first principle seems to be to share benefits with the assured. It should be remembered that many of the important merchants in our congested value districts are as mill owners familiar with the mutual methods, and unless the stock companies meet conditions, pointing out how insurance can be had at reasonable rates, they turn to the mutuals to solve the question.

President Clark, of the Ætna, then moved the acceptance of the report and the continuance of the work for another year.

At this point the opposition to the present conduct of the work, which has been rumored for some time, developed. Vice-President E. H. A. Correa, of the Home, took the floor and made a strong speech to the effect that the work was costing more than it was worth to the companies, and could be done just as well with less expense by the fire department committee. He said in part:

"I do not decry for one moment the work of the Committee of Twenty, but I would venture to say that there is not a man in this room who has read every one of the reports of the committee. They are most elaborate in detail, and I should consider it a waste of my company's time were I to do so." He then advocated strongly the penalizing of defects discovered, saying: "The Committee of Twenty was intended to find a way to remedy these defects. If they are not penalized how are we to remedy them? Although that is not a function of the National Board, it is the function of the other bodies to which the companies belong. Why has nothing been done about it?" He recommended a continuance of the work by the fire department committee under an appropriation of $25,000. "If this is not done," he said, "I warn you that your ranks will be depleted. The Home will not pay its proportion of the $104,000 asked for. Positively, if it requires the withdrawal of the Home, it will withdraw."

Mr. Evans then spoke again. He said that he would not object personally to being relieved of the burden of this work, but that it came to him as a surprise not long ago that there was dissatisfaction with the way the work was being done. "I did not come here to plead," he said, "but I will plead that you do not stop the work until it is finished. I want to see it rounded out and completed."

President Arnold, of the Equitable Fire and Marine of Provi-

dence, told of what had been accomplished there by the report on that city in the direct appropriation of $100,000 for improvements through the discussion of the report in the Board of Trade and the newspapers. President J. B. Branch, of the Providence Washington, also spoke strongly in favor of the work.

President Marshall S. Driggs, of the Williamsburgh City, spoke to the contrary, and was followed by President J. M. Hare, who gave one of his forceful talks, backing up the committee in every way, and expressing doubt that the adoption of the resolution would cause any internal complications in the Board. Mr. Correa again spoke, reiterating his statement that the reports mean nothing as to a direct effect upon the business, and that his company would stand out against its continuance as at present. President Porter, of the Spring Garden, called attention to the fact that companies outside the Board had given the work of this committee both moral and financial support, one outsider contributing over $3,500 voluntarily to the expense. Speaking for the Philadelphia companies, he said they were all anxious to have the work continued.

The question was then put on the resolution adopted by the executive committee, as follows:

Resolved, That it be recommended to the Board that an appropriation equal in amount to that of last year, viz., $104,500, be made for the purpose of carrying on the work of the Committee of Twenty for the next fiscal year.

When the question was put there was an overwhelming volume of ayes. Mr. Correa called for a count of noses, which showed forty-eight in favor and seven against. The nays were Messrs. Correa, Driggs, Burchell, Shaw, Hughes, Affeld and Wood.

After the vote, Mr. Evans said he saw "the handwriting on the wall," and would, therefore, arrange the work of his committee so that it could be discontinued next year. This means, in all probability, that it will go out of existence coincident with the next annual meeting.

The nominating committee then brought in the names of all the old officers for re-election, as follows: John H. Washburn, president; Geo. W. Burchell, vice president; Charles A. Shaw, secretary; Marshall S. Driggs, treasurer. And the following new members of the executive committee: G. B. Edwards, F. O. Affeld and R. M. Bissell. The secretary cast one vote electing them. The meeting then adjourned.

The usual banquet was held in the evening at Delmonico's, Pesident Washburn presiding. Henry M. Eaton, George P. Sheldon and Henry H. Hall made speeches. Hon. James M. Beck was present as a guest, Hon. Ralph W. Breckenridge, of Omaha, and General Manager Hiles, of the Royal Exchange.

The Affairs of the Equitable Life Assurance Society —Incidents of the Week.

The following letter from President Alexander to E. A. Woods, the company's manager at Pittsburgh, Pa., was made public on Monday:

NEW YORK, May 6, 1905.

Edward A. Woods, Esq., Manager of the Equitable Life Assurance Society, Pittsburgh, Pa.:

MY DEAR MR. WOODS—I beg to acknowledge the receipt of your pamphlet containing extracts from official statements by the society as to the mutual plan of its business and the exclusive ownership by the policyholders of its surplus. I also note your request that, as president of the society, I confirm substantially the statements it contains. I recognize that, for the benefit of present and future policyholders of the society, there should be at this time some clear and unequivocal expression on this subject, and, without reviewing all the society's statements on this subject, I consider that there can be no doubt as to three facts:

First, that the business of the society has been conducted in accordance with its charter, since the date of its organization, on the mutual plan; second, that the profits of the society have been accumulated for its policyholders, and, third, that the surplus of the society is held for the exclusive benefit of its policyholders. I do not recall any serious questions having ever arisen on these points until recently, when a claim has been put forward on behalf of the stock which is at variance with the terms of the society's charter, the uniform course of its business and official and unofficial statements and representations.

This is not merely my own understanding and opinion, but is confirmed by Mr. Van Cise, who, as you know, has been in the service of the society for nearly forty years, most of the time as its actuary. No one connected with the Equitable needs to be told of the great authority and distinction which Mr. Van Cise has won as a life insurance actuary. His official position in the society is one of complete independence, and on every subject pertaining to the society's business which is of scientific or mathematical character he is regarded as an unreviewable authority.

I quote a letter written by Mr. Van Cise to Mr. F. A. McNamee, the society's manager at Albany, N. Y., in response to former inquiries from the latter on the subject of the surplus. I understand these inquiries were made pursuant to resolutions adopted at a recent meeting of an organization of the society's managers and agents. Mr. Van Cise's letter is as follows:

MAY 5, 1905.

J. A. McNamee, Permanent Secretary, Albany, N. Y.:

DEAR SIR—Your communication of the 1st inst., with copy of preamble and resolution enclosed, was duly received and contents carefully noted.

As an officer of the Equitable Life Assurance Society I fully agree with you as to the truth of the following statements in regard to the Equitable:

1. That the business has always been and must always be conducted on the mutual plan.
2. That the entire surplus belongs to policyholders exclusively.
3. That each participating policy will receive its due share of surplus profits in accordance with the terms of each contract respectively.
4. That the agents in soliciting business on this basis have acted with due authority, and
5. That the policyholders have no grounds for apprehension or doubt in the premises.

In this connection I would say that while I have been connected with the Equitable as clerk and officer for nearly thirty-eight years, I have never until recently heard of any question being raised as to the absolute ownership of the surplus of the society by the policyholders.

For about thirty years I had the privilege of being associated as one of the subordinate officers with Henry B. Hyde, the founder and late president of the society, and my recollection is that in his declarations, both verbal and in writing, he always stated that the business of the Equitable was transacted on the mutual plan, and that the stockholders could not receive more than the dividends of $7,000 per annum on their capital stock, which was provided for by the charter.

Mr. Hyde always directed me to apportion surplus to policyholders when entitled by their contracts to such apportionment on the basis of its all belonging to policyholders, and he was very much averse to any reduction of dividends, unless such reduction was found to be absolutely necessary in accordance with our experience.

As actuary and assistant actuary of the society I have had special charge during more than twenty-five years of the apportionment of surplus to holders of deferred dividend contracts at the end of their dividend period, and in making such apportionment I have always proceeded upon the assumption that the entire surplus of the society belonged to its policyholders.

Trusting that you will find this information both complete and satisfactory, I remain,

Yours very truly,

J. G. VAN CISE, Actuary.

These statements are literally true. They should set at rest all doubts and quiet an agitation which should never have arisen and is naturally disturbing to the society's policyholders and agents.

No greater emphasis could be given to the fact that the Equitable Life Assurance Society is really a mutual life insurance company in which the interests and rights of the policyholders are recognized as paramount than the success of the recent effort to confer upon the policyholders the right of electing a majority of the society's directors.

The amended charter, designed to carry into effect this reform, was adopted by a unanimous vote of the board of directors, and although its operation is temporarily arrested through litigation, I am convinced that the action of the board will be upheld by the courts. Thus the policyholders will exercise a controlling influence in the management of the society. This is as it should be. While my personal view from the beginning has been that it would have been wiser and more beneficial in every sense to the society to have the entire board of directors elected by the policyholders, it is a source of gratification to have secured so substantial a recognition of the principle of mutualization as is involved in the election by the policyholders of a majority of the board.

It will follow that the personal proprietary regime within the society must succumb to the checks and restraints necessarily involved in this passage of control to the policyholders, and many of the abuses and irregularities which are now in the course of elimination cannot thereafter recur. It should be a source of confidence to everyone interested in the society that the correction of all conditions hurtful in tendency of effect is being accomplished within the society itself.

It was upon a settled conviction that the interests of the

(*Continued on page 477.*)

Life Insurance in the District of Columbia in 1904.

Companies.	Policies Issued.		Policies in Force Dec. 31, 1904.		Premiums Received.	Losses Paid.
	No.	Amount.	No.	Amount.		
Ætna	41	$94,874	341	$730,065	$29,441	$20,000
Baltimore { Ind	2,321	236,362	5,803	387,049	42,792	19,438
Baltimore { Ord	5	3,250	7	5,750	193	.....
Berkshire	4	15,000	127	239,700	1,590	1,000
Columbian National	3	40,000	3	40,000	377	.....
Connecticut Mutual	88	207,731	578	1,360,672	38,923	25,643
Equitable Industrial	11,695	1,476,229	22,838	2,638,750	93,616	30,364
Equitable, N. Y.	513	971,962	3,309	9,588,197	325,163	220,865
Fidelity Mutual	77	179,738	257	541,544	17,859	.....
Germania	23	39,700	160	297,142	10,336	5,535
Home	43	107,920	352	793,550	37,591	32,000
John Hancock, Ord.	126	427,500	225	833,582	28,040	.....
Life Ins. Co. of Va.	3,455	412,791	11,165	1,383,207	52,204	17,801
Manhattan	232	881,684	715	3,264,206	113,936	12,190
Maryland	14	22,000	92	225,209	7,770	1,000
Massachusetts Mut.	93	322,500	345	938,230	37,506	12,600
Metropolitan { Ind	20,216	3,100,412	114,339	15,849,864	712,519	202,833
Metropolitan { Ord	1,749	1,308,607	4,472	3,735,166		
Mutual Benefit	102	229,765	555	1,365,036	40,169	31,035
Mutual, N. Y.	1,103	2,967,800	2,433	6,732,291	273,644	174,815
Mutual Reserve	677	281,920	762	798,142	28,149	15,989
National, Vt	33	53,076	194	464,706	18,292	542
New England Life	82	181,831	801	1,832,944	60,606	9,000
New York Life	582	1,389,166	3,257	7,663,761	361,745	78,495
Northwestern Mut.	94	244,000	1,358	3,380,415	98,282	153,744
Pacific Mutual	53	146,454	167	380,683	13,270	1,000
Penn Mutual	243	874,327	1,463	4,189,227	157,365	39,128
Phœnix Mutual	25	43,145	263	570,735	22,615	138
Provident L. & T.	53	193,160	562	2,191,708	91,202	57,090
Provident Savings	77	136,218	338	792,792	30,831	15,500
Prudential { Ind	9,603	1,288,266	36,150	4,465,593	169,035	48,291
Prudential { Ord	687	677,355	1,864	2,066,834	70,588	11,000
Reliance	4	8,000	4	8,000	261	.....
Security Mutual	79	241,535	198	518,296	18,662	5,520
Travelers	36	87,000	263	689,001	18,191	4,864
Union Central	64	218,500	512	1,432,338	47,792	7,183
Union Mutual	11	18,556	18	33,950	813	.....
United States	30	103,640	77	209,425	7,558	6,500
Washington	68	155,500	184	331,235	11,327	5,000
Totals, 1904	54,404	$19,567,464	216,551	$82,968,995	$3,123,453	$1,366,103
" 1903	39,778	18,002,881	179,248	70,617,256	2,632,021	917,118
" 1902	.....	16,686,112	.....	70,322,743	2,565,535	812,613

Industrial business is included.

We are indebted to the *Baltimore Underwriter* for the returns of 1904.

Fire Insurance Business in Nevada in 1904.

(*Reported by the Companies to The Weekly Underwriter.*)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$88,250	$2,690	.....
Aetna, Hartford	157,042	3,818	$90
Agricultural, Watertown	85,900	2,209	.....
American Central, St. Louis	1,162	33	.....
American Fire, Philadelphia	44,887	1,109	3,500
American, Newark	2,000	34	.....
Assurance Company of New York	1,000	17	.....
Atlas, London	307,623	7,881	277
Caledonian, Edinburgh	71,988	1,596	364
Citizens, St. Louis	36,445	2,458	55
Commercial Union, London	119,037	2,724	638
Connecticut Fire, Hartford	267,749	7,129	2,245
Continental, New York	200,945	4,244	344
Delaware, Philadelphia	7,539	341	1,506
Fire Association, Philadelphia	81,968	2,372	.....
Fireman's Fund, San Francisco	449,765	11,482	2,070
German Alliance, New York	50,425	1,429	13
German-American, New York	132,525	2,904	784
Germania Fire, New York	23,000	602	.....
Globe and Rutgers Fire, New York	7,500	177	.....
Hamburg-Bremen, Hamburg	101,104	2,419	968
Hartford Fire, Hartford	522,933	12,604	412
Home F. and M., San Francisco	216,525	5,812	3,091
Home, New York	303,207	6,426	1,270
Ins. Co. of North America, Phila.	101,725	2,394	935
Liv. and Lon. and Globe, Liverpool	319,360	8,315	1,134
London and Lancashire, Liverpool	244,475	5,731	5,195
London Assurance, London	197,051	4,634	.....
Michigan Fire and Marine, Detroit	23,000	598	.....
National Fire, Hartford	153,458	3,929	1,968
New Hampshire Fire, Manchester	94,915	2,110	268
New Zealand F. and M., Auckland	16,750	334	.....
Niagara Fire, New York	139,958	3,343	1,583
N. British and Mercantile, London	115,465	2,656	.....
Norwich Union, Norwich	161,511	3,652	1,740
Orient, Hartford	43,750	915	.....
Palatine, London	54,350	1,221	.....
Pennsylvania Fire, Philadelphia	143,000	3,679	.....
Phœnix, Hartford	187,709	4,236	857
Phœnix, London	158,537	4,319	2,558
Queen, New York	136,252	4,534	140
Royal, Liverpool	425,885	11,085	1,975
Royal Exchange, London	135,778	3,175	25
St. Paul Fire and Marine, St. Paul	1,163	33	.....
Scottish U. and N., Edinburgh	181,725	4,449	1,500
Springfield F. and M., Springfield	155,155	4,630	1,643
Sun, London	218,500	5,619	2,753
Svea, Gothenburg	205,615	5,356	10
Traders, Chicago	111,675	2,529	4,374
Transatlantic, Hamburg	12,500	375	.....
Western Assurance, Toronto	49,599	1,286	.....
Williamsburgh City Fire, New York	1,500	45	.....
Totals	$7,097,880	$177,692	$46,285
Comparison with Business of Previous Years.			
1903	$6,086,944	$148,324	$45,896
1902	5,412,109	128,913	81,098
1901	4,905,557	10,549	24,914
1900	4,514,796	101,975	38,761
1899	4,193,316	98,727	25,199
1898	4,254,511	103,343	9,934
1897	3,710,200	80,484	29,831
1896	3,326,584	66,003	9,951
1895	3,394,093	71,190	32,050
1894	4,168,334	119,509	47,033
1893	3,904,379	96,851	59,979
1892	5,125,528	152,655	61,088
1891	4,666,326	129,609	44,700
1880 to 1890	45,082,427	1,189,101	470,449

The percentage of losses paid to premiums received in the twenty-four years embraced in the above table is 38.4. The percentage for 1904 was 26.0.

Fire Insurance Business in Georgia in 1904.

(*Reported by the Companies to The Weekly Underwriter.*)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aetna, Hartford	$13,164,350	$214,273	$83,020
Agricultural, Watertown	1,854,600	26,802	12,640
American, Boston	616,291	7,790	2,565
American Central, St. Louis	1,410,708	25,952	17,744
Atlanta Home, Atlanta	2,438,573	41,925	19,435
Atlanta-Birmingham, Birmingham	1,876,733	33,257	13,753
American, Atlanta	88,000	2,317	96
Atlas, London	817,920	14,359	235
British America, Toronto	1,661,262	28,734	12,625
Citizens, St. Louis	2,165,929	37,277	13,943
Commercial Union, London	6,258,080	105,923	53,924
Connecticut Fire, Hartford	1,123,000	18,193	8,963
Caledonian, Edinburgh	732,695	11,625	4,020
Fire Association, Philadelphia	4,843,817	77,604	38,319
Fireman's Fund, San Francisco	6,337,893	121,338	57,444
Georgia Home, Atlanta	4,072,108	64,015	31,508
German, Freeport	2,528,431	21,368	17,685
German Alliance, New York	435,999	6,536	1,445
German American, New York	5,316,805	86,434	55,963
Germania, New York	3,382,820	47,292	8,892
Glens Falls, Glens Falls	3,805,558	21,519	12,053
Hamburg-Bremen, Hamburg	1,548,234	27,371	9,823
Hanover Fire, New York	3,505,206	45,840	19,623
Hartford Fire, Hartford	15,834,232	245,453	112,335
Home, New York	14,197,471	184,607	110,184
Ins. Co. of N. America, Philadelphia	6,228,219	128,242	75,317
Law Union and Crown, London	408,658	3,097	55
Liv. and Lon. and Globe, Liverpool	15,549,062	229,965	105,488
Liv. and Lon. and Globe, New York	1,229,227	20,315	8,283
London and Lancashire, Liverpool	3,370,023	44,211	26,170
London Assurance Corp., London	970,832	16,774	5,268
Milwaukee Mechanics, Milwaukee	1,127,805	13,658	5,591
National Fire, Hartford	3,923,275	40,684	17,108
National Union, Philadelphia	.....	4,169	.....
New Brunswick, New Jersey	34,450	791	1,127
New Hampshire Fire, Manchester	2,063,624	27,998	17,248
New York Fire, New York	328,190	4,276	895
Niagara Fire, New York	1,151,568	19,055	12,235
N. British and Mercantile, London	3,474,938	46,001	15,540
Northern, London	4,487,991	48,083	21,382
Norwich Union, Norwich	2,204,431	40,159	27,951
Orient, Hartford	1,862,610	21,387	13,304
Palatine, London	3,093,368	49,823	21,985
Pelican, New York	160,636	2,512	1,156
Pennsylvania Fire, Philadelphia	3,388,000	54,132	20,194
Phenix, Brooklyn	8,138,954	173,799	85,020
Phœnix, Hartford	5,171,190	65,257	29,251
Phœnix, London	977,412	21,354	9,718
Queen, New York	5,225,543	107,041	58,815
Rochester German, Rochester	2,529,917	32,877	21,299
Royal, Liverpool	15,437,633	87,465	41,340
St. Paul F. and M., St. Paul	3,481,078	49,897	11,786
Scottish U. and N., Edinburgh	2,093,192	30,866	7,391
Springfield F. and M., Springfield	3,288,628	40,700	14,135
Southern Mutual, Atlanta	29,448,379	301,160	89,419
Sun, London	1,528,615	29,857	8,370
Sun, New Orleans	1,707,081	32,691	18,586
Toledo Fire and Marine, Ohio	50,350	1,491	6,272

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Traders, Chicago	$1,806,499	$30,440	$15,504
Union Assurance, London	910,764	8,814	7,172
Westchester Fire, New York	2,208,515	38,768	29,069
Western Assurance, Toronto	3,097,960	35,321	15,073
Williamsburgh City Fire, New York.	1,661,622	23,888	8,604
Totals	$243,836,954	$3,444,822	$1,591,388
Comparison with Business of Previous Years.			
1903	$216,102,523	$3,176,695	$1,315,903
1902	208,512,957	3,169,734	1,400,793
1901	208,987,008	2,733,260	1,594,606
1900	198,561,986	2,534,674	1,634,356
1899	177,137,318	2,349,841	1,278,294
1898	157,983,654	2,136,639	1,436,387
1897	150,157,897	2,125,228	1,037,301
1896	146,150,040	2,033,956	1,297,416
1895	142,789,146	2,000,476	1,282,710
1894	138,769,873	1,905,826	897,775
1893	155,425,140	2,044,381	946,850
1892	156,282,615	2,035,894	1,319,812
1891	155,557,458	1,960,730	1,156,905
1880 to 1890	1,294,481,595	15,045,321	8,961,731

The percentage of losses paid to premiums in the twenty-four years embraced in the above table is 55.7. The percentage for 1904 was 46.2.

(*Continued from page 475.*)

society and of its policyholders required that the latter should be vested with a controlling participation in the administration of the vast funds which they have built up by their own contributions that I resolved to initiate this movement. The prompt response and sturdy support that I have received from the rank and file of the society's officers has proved to be an assistance of the greatest value in establishing the principle of mutualization, and I cannot too highly commend this element of support, proceeding solely from a conviction of duty and quite without regard to personal interest.

Notwithstanding the present publicity and wide discussion of the society's affairs I regard the situation as full of encouragement for all who are truly interested in the society and its prosperity. The financial strength and stability of the society are not questioned. There is no abatement of effort on the part of its efficient staff of loyal agency force to perform their full duty to the society in maintaining and extending its growth and prestige. The work we have inaugurated will be carried to a successful completion.

In this determination there is but one thought, either on the part of the independent members of the board of directors, the society's officers or of the agents. I shall devote myself and all my strength to its accomplishment. Do not be deceived by rumored suggestions of my resignation. They proceed from interested sources and are intended to discredit and defeat the principle of mutualization. Although no one appreciates better than I the sensitive character of a life insurance company's credit and the great importance of its hold upon public confidence, I firmly believe that the fact that the society proposes to take care of itself and to work out its own reforms will afford the best possible guarantee of its inherent strength and the security of its future. The present trials will soon be past and the society will enter upon an era of greater success than it has ever known. Sincerely yours,

James W. Alexander, President.

Superintendent of Insurance Francis Hendricks made public on Monday the following statement:

To the Policyholders of the Equitable Life Assurance Society of the United States, New York:

This department is in receipt of numerous inquiries concerning the controversy now pending within the management of the Equitable Life Assurance Society of the United States, New York, and particularly as to the solvency of the society.

In order to allay the anxiety of all the policyholders, I deem it proper at this time to say that in connection with the examination of the society, now in progress by this department, I am at this date sufficiently well informed as to its condition to unhesitatingly state that it is financially sound, and that all its contracts to policyholders are fully and safely guaranteed.

Francis Hendricks,
Superintendent of Insurance.

On Monday an informal conference of the directors of the society was held, at which the present status of the situation was discussed but no affirmative action taken.

On Tuesday counsel for the Equitable Life Assurance Society filed their final brief before Justice Maddox, of the Supreme Court in Brooklyn, as defendants in the Lord suit. The company's brief says in part:

There is nothing in the trust deed requiring Mr. Alexander to protect the interests of the stockholders as such, the duties of the trustees, as already stated, being confined to the voting of directors and collecting dividends by proxy and attorney. Mr. Hyde is now of the age of twenty-eight years and upwards, and claims to be a man of ability and fully competent to manage his own affairs. Plaintiff and the intervenors purposely omit any reference to Mr. Alexander's superior duty as the president and as a director of the society and as a trustee for all the policyholders. Any charge that Mr. Alexander has in any way wronged Mr. Hyde is absolutely without foundation.

Upon examination of the trust deed, which is annexed to the intervening petition, it will be seen that the only duties imposed upon Mr. Alexander as a trustee, except those of a strictly formal character, are the duties of appointing a proxy to vote upon the shares of stock and an attorney to collect dividends, but that by the terms of the trust deed, since Mr. Hyde reached the age of twenty-one years, which happened several years ago, he has had the right to vote upon the shares himself and to receive and hold the proxies and powers of attorney. It is also provided by the trust deed that "no vote shall be cast upon the said shares at any election of the Equitable Life Assurance Society except for a person approved by the said James Hazen Hyde."

Furthermore, Mr. Hyde and Mr. McIntyre constitute a majority of the three acting trustees, and by the provisions of Article XII of the trust deed the action of a majority in number of the trustees for the time being is binding in every manner arising under the indenture of trust. The suggestion that Mr. Alexander has in any way been derelict in his duty as trustee by reason of having favored a mutualization of the society in the line indidicated by the original charter to a greater and more liberal extent in some respects is without any foundation. He has cast no vote as a member of the board of directors which has not been concurred in by Mr. Hyde.

It is idle to say that there has been no movement in favor of or demand for the mutualization of the society. It is a matter of common knowledge that for a long time the subject of the control of the affairs of the Equitable Society by the holders of a small amount of capital stock has caused much uneasiness among the policyholders of the defendant. The moment that the matter was officially brought to the attention of the board of directors, so highly commended by plaintiff (Complaint, fol. 19), they resolved, without a dissenting voice, that the policyholders should be given the right to vote for directors, and that steps should be taken for carrying this principle into effect at the earliest possible moment.

Of course the Legislature cannot go so far as to confiscate property or take away the control of a corporation from the real parties in interest. In the case of a life insurance company conducted on the mutual plan, as is the Equitable Life Assurance Society, the real parties in interest are the policyholders, and the Legislature has the undoubted right to give the policyholders the control of their own interests.

On Tuesday also President Alexander was examined before Superintendent of Insurance Francis Hendricks, "en camera."

On Wednesday Vice President Hyde was put through a long ordeal of questioning by Superintendent Hendricks. On the same day the application of Herbert G. Tull for an injunction restraining the Equitable Life Assurance Society, and the State Superintendent of Insurance and his attorneys, from any further proceedings with respect to the proposed amended charter of the society, which has been submitted for approval to him, was denied by Justice MacLean in the Supreme Court, New York, with $10 costs against the plaintiff, the justice ruling that the matter of the approval of the application already submitted is now pending the performance of the duty imposed by law upon the Attorney General by a judicial act, and upon the Superintendent of Insurance by a ministerial act, within the exercise of

which this court will not interfere by injunction, though it might compel action, and leave the aggrieved, if any there be, to a review in some further proceeding, and further proceedings by the defendant not appearing, the application for a stay must be denied. Furthermore, by Section 605 of the Code of Civil Procedure, "where a duty is imposed by the statute upon a State officer, * * an injunction order to restrain * * from performing that duty * * shall not be granted except by the Supreme Court at a term sitting in the department in which the officer * * is located, or the duty required to be performed." This is not that department.

On Thursday Superintendent Hendricks continued his examination of the Equitable officials.

H. Rogers Winthrop, the young assistant secretary and financial manager of the Equitable Life, was the third officer of the society examined. Assisted by his counsel, Congressman M. E. Driscoll, Superintendent Hendricks put Mr. Winthrop through an ordeal of questioning fully as severe as that to which Vice President Hyde was subjected on Wednesday and President James W. Alexander on the day before. With the exception of an hour at lunch time, Winthrop was on the stand under oath from 11 o'clock in the morning until 5 in the afternoon.

There were various committee conferences among the different interests throughout the day.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905,	$5,546,127.97
Cash Capital,	200,000.00
Liabilities, including reinsurance,	3,617,361.34
Net Surplus,	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Sec.

ÆTNA LIFE

INSURANCE COMPANY

Morgan G. Bulkeley, President.

The Leading Insurance Company in New England and the largest in the World writing

Life, Accident, Health and Liability Insurance

Has been in active and successful business over 55 years.

ASSETS OVER 73 MILLIONS

PAID TO POLICYHOLDERS 146 MILLIONS

Its Surplus, by Connecticut Standard, is $8,850,426.65

The Ætna Life Insurance Company is organized on the principle of the strongest Banks and Trust Companies by having a large capital stock ($2,000,000) widely distributed, and being subject to the close supervision of those who are financially interested. This gives assurance of safe and economical management, thus making it in the best sense a policyholders company.

For an Agency address the Company at Hartford, Conn.

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

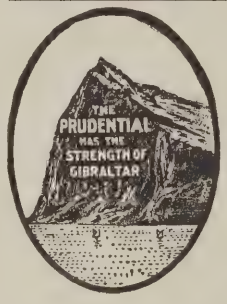
R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

QUEEN

Ins. Co. of America.

NEW YORK.

Every Man Interested in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. John F. Dryden. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men. The Grand Prize was awarded the Prudential at the St. Louis Exposition.

Insurance Co. of North America,

232 Walnut Street, Philadelphia.

FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
Liabilities—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

SUN

Insurance Office of London

FOUNDED 1710.

United States Branch: 54 Pine St., New York.

Western Department: 171 La Salle St., Chicago.
Pacific Department: 215 Sansome St., San Francisco.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

The Mutual Benefit
LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905,	$93,237,790.27
LIABILITIES,	85,918,227.30
SURPLUS,	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

PHENIX INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary.

Up to date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at Age Eighty automatically.

$27,807,910 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

THE

John Hancock

MUTUAL

Life Insurance Company of Boston, Mass.

Insurance in Force, December 31, 1904, • • • Over $356,000,000

ROLAND O. LAMB, Vice-Pres.; ARNOLD A. RAND, 2d Vice-Pres.; ROBERT K. EATON, Sup't of Agencies; WALTON L. CROCKER, Secretary; WM. S. SMITH, Actuary; GEORGE L. STIMMEL, General Agent Metropolitan District.

St. Paul Building, New York.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

New York City.

AGENTS WANTED

BY

The Manhattan Life

OF NEW YORK

Exclusive Territory
Liberal Contracts

STRENGTH
SECURITY
SOLIDITY

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

1846—1905.

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353,488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**

DANIEL H. WELLS, Actuary.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.

6,561 per day in number of Policies issued.

$1,426,700.50 per day in New Insurance Written.

$114,060.67 per day in Payments to Policyholders and addition to Reserve.

$73,326.81 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$64,270,818.12
Bonds and Mortgages,	33,094,145.00
Real Estate,	16,806,932.86
Cash,	7,323,372.74
Loans to Policyholders,	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.

Reinsurance Fund and Special Reserves,	$112,351,323.00
All other Liabilities,	907,772.25
Capital and Surplus,	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security, ... $277,290,466.48

Number of Policies in Force, . . . 8,029,906

Amount of Outstanding Insurance, . . $1,470,424,281.00

Amount of Insurance Issued in 1904, . . $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.	
1884—$2,915,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00—	1884
1894—18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00—	1894
1904—55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00—	1904

In its Ordinary Department policies are issued for from $1,000 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, MAY 20, 1905. No. 20.

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THE trouble in Texas caused by the law enacted at the regular session inflicting both a premium tax and a franchise tax on fire insurance companies has been settled in special session by dropping the latter and making the former bigger. Now the companies will pay one and three-quarters per cent. on gross premiums, whereas, if they had not gone to law about the franchise tax, they would have paid one and one-half per cent. The quarter per cent. increase is worse than the franchise tax. The old tax was one-half per cent. No power is more cherished by the State than that to tax—and particularly to tax foreign corporations. Which helps to show that our prognostication that the States will never consent to divest themselves of the right to tax foreign insurance companies, in favor of the Federal Government, is correct.

THE final report of the examination of the United States Life insurance company by the New York State Insurance Department certifies to the absolute soundness of the company, and expresses the belief that it will be "conducted along safe, economical and conservative lines" in the future, and "merit the continued confidence and support of the public." The department examiner found some differences between the company's estimated value of real estate owned by it, and the value according to the department appraisers, but the reduction consequent upon this did not affect the solvency of the company. Another difference of opinion between the examiner and the company as to the value of certain investments resulted in the disposal of the securities in question by sale at the company's own valuation, thus meeting the criticisms of the department with a cash substitute. The United States Life has passed through a trying ordeal with credit, and the community will be gratified to have the official assurance that this fine old company is keeping sure step with the procession.

LIFE insurance policyholders are liable at this time of unrest in the insurance business to encounter the wily advances of adventurers in the legal profession, who bring to them schemes for their protection against the alleged machinations of the directors and officers of the companies in which they are insured. A circular has recently been spread broadcast by an enterprising Connecticut firm calling upon policyholders everywhere to band together in a protective association under the leadership of the firm. The lawyers concerned are not to be blamed for their desire to reap coin from present conditions—that is why they are practicing at the bar—but the policyholders will be fools if they allow these particular lawyers to bleed them. They may confidently accept the assurances of the officials appointed by the State to guard their interests that they will suffer no wrong, and thus keep in their own pockets the fees with which they will unnecessarily part if they listen to the seductive tales of their self appointed defenders. We notice that the authors of the circular invited ex-President Cleveland and Governors Douglas, La Follette and Folk to join them in a meeting in New York on Monday last to organize the policyholders' protective association. As those distinguished publicists have not been in town this week, and the organization meeting does not appear to have been held, it is reasonable to suppose that the movement is not making progress. That in which the once famous and now forgotten Lawson failed lesser pretenders are not likely to make good.

THE Governor has announced that he will give a hearing next Tuesday afternoon in Albany on Senator Grady's bill, passed during the closing hours of the recent legislative session, prohibiting fire insurance companies of other States and countries from containing in their assets loans on their own stock, or on the stocks of any other corporations carrying on the same kind of insurance business or investments therein, and requiring companies now holding such loans and investments to dispose of them within ninety days after notice by the Superintendent of Insurance on pain of revocation of authority to transact business in the State. The bill is objectionable on several accounts, one being that it was introduced in and rushed through the Legislature within a week of the final adjournment, without previous notice to the parties most interested, and without the opportunity being given to them to appear before the insurance committees with their objections to the bill. Such snapshot treatment is unfair, and the Governor will best serve the cause of equity by withholding his approval of a measure of this kind until the Legislature has had proper time to consider it upon its merits. An important property interest is involved, and it would be impossible for some companies to comply with the provisions of the proposed law within the time specified without serious loss. The State Insurance Department can be depended upon under the existing laws to exclude all improper assets. The instigator of the Grady bill is unknown. He should have the courage to appear at the hearing on Tuesday, and give his reasons for wanting this legislation. If no one appears for the bill, the Governor should give it brief courtesy.

THE Minnesota Insurance Department continues to require from the life insurance companies the exhibit of gain and loss items as embodied in the department blank, and we reproduce as a matter of interest from the annual report the statement for 1904. It will be

remembered that the insurance commissioners in convention in 1900 definitely abandoned the requirement of the exhibit in the life blank, after five years' experience, in which all the States, except New York and Massachusetts, joined. The reason given for discrediting the exhibits was that the companies could make them only by forcing their balances, the officers being obliged to swear to figures which it was impossible to verify. Still there were people who saw an approximate value in this form of report of yearly experience, and when Commissioner Dearth, of Minnesota, made his last fight for the exhibit in the convention of 1903 two States besides his own, Tennessee and Wisconsin, rallied to his support. His successor and the Wisconsin commissioner alone continue to publish the exhibit. This year's show of figures, representing the business of 1904, speaks well for the condition of the business. There was apparently, on the whole, a very satisfactory profit. Forty-three companies, including all the principal companies of the country, gained nearly $20,000,000 on mortality cost, the expected mortality being $120,287,242, and the actual $100,314,516, making the percentage of actual to expected mortality .83. The companies likewise gained approximately $15,000,000 on surrender values, comparing actual values paid to full reserves for surrendered and lapsed policies. The dividends paid or credited to policyholders amounted to $34,317,728. The per cent. of actual to loading expenses was .98, the actual expenses paid being $123,661,628. The interest required to be earned to maintain the reserve amounted to $76,066,712, but the actual interest receipts were $103,340,224, a gain of more than $27,000,000. The gain in the profit and loss items was $1,554,594, as compared with $1,169,268 loss; the increase in market values was $23,056,341, and the decrease $253,871, and finally the net investment earnings, including interest, profit and loss, and changes in market values, less investment expenses, amounted to $117,247,135. Deducting from this the amount required to maintain the reserve, a net profit of over $40,000,000 is shown. The general exhibit of 1904 was an improvement on that of 1903. The exact returns, if they could be had, would no doubt bear out this conclusion. It will be interesting next year to observe the effects of the present disturbances in the business on the general results.

Facts and Opinions.

The Court of Appeals in this State has just handed down a decision affirming the Appellate Division in the First Department of the Supreme Court in the case of **Edward L. Lewis against the Guardian Fire and Life** Assurance Company. The contention raised by the company at the trial term was that the provision of the policy relative to other insurance had been violated. The policy sued on was in the Canadian standard form, and contained a provision against other insurance, either before or after the issuance of the policy. It was admitted that there was other insurance prior to the issuance of the policy, and that some of such insurance was renewed subsequent to the issuance of the policy sued on. The plaintiff introduced evidence, which, as the appellate courts have found, warranted the jury in finding that Paterson & Son, of Montreal, through whom the insurance was obtained, were in fact the agents of the company and not the brokers of the assured, and therefore that knowledge of such other insurance on the part of Paterson & Son estopped the company from setting up the breach of the provision in question as a defense. The main evidence relied upon by the plaintiff was that the policy as issued by the company contained these words: "Agency, Montreal, Paterson & Son"; and endorsed upon it were the words: "Paterson & Son, Agents, Montreal Agency." The company met this by evidence to the effect that the insertion of the words "Paterson & Son," as above referred to, simply indicated the brokers through whom the insurance was written, and had no relation whatever to any actual agency. It was further testified that Paterson & Son never had been in any way connected with the company, they being at the time the general managers of the Phœnix insurance company of London at Montreal. Evidence was also offered to the effect that the insured in the first place applied to Paterson & Son for $10,000 of insurance, of which they, on behalf of the Phœnix, took $6,000, and then as brokers and on behalf of the insured obtained the remaining $4,000 from the Guardian. The trial court held that upon the proof as offered it did not appear that Paterson & Son were agents for the Guardian, and, as before stated, directed a verdict for the defendant. The appellate courts, however, held that there was some evidence of such agency, owing to the reference to Paterson & Son in the policy, and in consequence thereof that the question of agency should have been submitted to the jury.

The **new Chicago stockyards schedule** was adopted at a special meeting of the Chicago Underwriters' Association, held last week. It makes a material reduction in rates on stocks, the feature of the present schedule against which the packers most severely complain. The 25 cents charge for contents above building is stricken out, with the 10 cents charge for machinery. This affects the greater values at the yards, as a warehouse valued at $100,000 will often contain stock worth over $1,000,000. Some of the building rates are also reduced and material reductions are made in certain occupancy charges. The new schedule is the result of several months' work by a joint committee of the Chicago Underwriters' Association and the Western Union, it being desired to reconcile the differences between the Union packing house schedule and the Chicago schedule. This was found impossible and a compromise was decided upon. The schedule was reported a month ago and was referred to the members for study before final action. Several companies opposed it strenuously, contending that any reduction was unjustifiable so soon after they had paid a loss of over $500,000 at the yards of Schwarzschild & Sulzberger's warehouse, giving them a loss ratio of 150 per cent. for the year already. They failed to make their opposition felt at the meeting, however, and there is much curiosity as to whether they will carry out their announced intention to withdraw from the stockyards in case rates were reduced. The new schedule provides for a standard building of brick, with mill construction, the requirements based on the city building ordinance. The basis rate is 30 cents for one story and basement, with an addition of 5 cents for each story up to four, after which the increase is charged. The maximum area is 10,000 square feet, all above that amount being penalized. Division walls are to be not less than 16 inches thick and to rise their full thickness above the roof at least 4 feet. Communications are to be through standard brick vestibules, connected by approved double iron doors at each end. There are to be no floor openings, and the elevators and stairways are to be enclosed in self supporting brick walls rising above the roof.

The **Arkansas anti-trust cases** are under consideration by the circuit court at Little Rock, the three days' argument having been completed late Saturday night. No decision is

expected for several weeks, and by stipulation the judgment against the companies, if they lose, is to be $200 and costs, and an immediate appeal is to be taken to the Supreme Court. The argument developed the fact that the case turned largely on the point whether the Legislature, in enacting the King anti-trust law, meant to penalize the insurance companies for being members of pools or combinations, or to assess a penalty for doing business in Arkansas while they were members of such pools or combinations. The attorneys for the companies held that the Legislature had no right to pass a law penalizing them for acts done outside the State, which had no effect upon the citizens of the State. They contended that under the power of police regulation, brought up by the attorneys for the State, the Legislature had no right to pass such a law, as the acts for which a penalty is imposed are harmless in themselves, so far as Arkansas is concerned, and the State, or the people, have no interest or concern in them. For the State it was held that both elements—membership in a trust and the transaction of business in Arkansas—must be taken together to constitute the offense for which the penalty is imposed, and that this makes the law valid. It was contended that the imposition of the penalty has the effect of excluding the companies from the State, and that consequently it was not necessary for the Legislature to insert a specific provision in the law that the companies violating its provisions should be excluded.

A Vienna cable dispatch says that the **Austrian Government** is taking drastic action against foreign life insurance companies doing business there, with the exception of German concerns. This renders business almost impossible, and the matter has been taken up by the representatives there of the United States, Great Britain, Belgium and Holland. The laws under which foreign life insurance companies may do business in Austria provide that they must invest and keep invested in Austrian Government securities a sum equal to their total liabilities. Deeds showing such investments must be filed with the authorities. The Tax Assessment Office ruled that the deeds could be filed without payment of stamp duties thereon. This has been done for the last nine years. The Administrative High Court has now overruled the order of things, and has informed a life insurance company of New York that it must not only pay the stamp duty on these deeds, amounting to $683 on each $200,000 investment recorded in the future, but that this duty is retroactive.

At the regular weekly meeting of the directors of the **Mutual Benefit Life** insurance company of Newark, N. J., on Wednesday of this week, Le Gage Pratt and Edward L. Dobbins were elected **vice presidents,** J. William Johnson secretary, Samuel H. Baldwin treasurer, and Richard J. Cary cashier. Mr. Pratt has heretofore been second vice president of the company. In 1886 he first became interested in life insurance, writing as a special agent in Texas, and later in Chicago. In 1897 he became superintendent of agencies of the Mutual Benefit, and was in 1903 elected second vice president. Mr. Dobbins' promotion was from the position of secretary and treasurer, which he held since 1889, prior to which he was secretary from the year 1880, and assistant secretary from 1871. Mr. Johnson and Mr. Baldwin are raised to the positions of which they have held the assistancies for fifteen years past. Mr. Cary has been a long time with the company, and has acted as cashier since 1899.

Contradictory evidence resulted in the acquittal this week of Joseph Chiesa, who appeared in the Superior Criminal Court at Boston, **charged with incendiarism.** Not so fortunate were John Burns and Michael Clougherty, lads of about fifteen, who in the same court pleaded guilty to setting fire to two vacant buildings in the Jamaica Plain district. They were sentenced to six years each in the reformatory by Judge White, who before imposing punishment said: "This is a very serious matter. During the past two generations the sentiment in regard to the setting of fire has radically changed. Nowadays incendiary fires are frequent. I do not see a paper but I read of some fire which was probably intentionally set. These boys say they had no motive other than the spirit of fun in setting the fires. It is not necessary to show a motive. I believe some example should be made in this case, although it is the most painful duty I have had to perform this term." It is to be hoped that the severity of this upright judge will have a deterrent effect upon the epidemic of fire setting which seems to be raging in Boston and vicinity.

Friction between the present and prospective officers of the **Southern insurance company of New Orleans** has been the cause of recent newspaper interviewing. It was announced some time ago that Robert Dickson, former United States manager of the Royal Exchange, had with his friends obtained a controlling interest in the Southern and would soon assume possession. President Miltenberger has taken occasion to write a letter denying that there had been a change in the management of the company or that Mr. Dickson or Mr. R. D. Tweedale were "in any manner officially connected with this company." Mr. Dickson has replied that having control through the stock he can and will dictate the policy of the company, but that the old officers will remain until their terms expire, when they will go out and new officers, of which he will be one, will be elected. The Dickson syndicate owns 1,075 of the 2,000 shares and paid $150 each for them.

The First Bank of Fruita, Col., which holds a burglary policy of the National Surety Company, was **attacked by burglars** on the night of May 10. The burglars had broken the outer door of the safe, and two charges of explosives had been used on the chest, when a citizen, noticing a light in the bank, called up the telephone office, with the request that the cashier be notified. The telephone operator, instead of calling up the cashier, rang the bank's telephone. The ringing of the bell alarmed the burglars, who made their escape. Before attacking the bank they had "burglarized" the safe of one of the leading merchants, securing about $600 in cash. The burglars are supposed to be the same gang that robbed the First National Bank of Hotchkiss last December.

The first number of *Protection* justifies the expectation expressed when its forthcoming was announced, that **Garrett Brown** still **knows how to make an insurance paper.** His present venture is characteristic of those which have before issued from his brain and hands—bright, crisp, saucy and thoughtful—and it is his best creation. We note the Colonel's remark in his display type preface that the monthly, semi-monthly and daily insurance press has not only made no progress in twenty years, but has actually retrograded. We fear that this daring declaration will draw upon the devoted head of our contemporary the wrath of those slow going concerns; but if it provokes them to get a gait on, his roast will do good. His own monthly will surely lead the way.

The Mutual Life insurance company of New York recently wrote $475,000 additional **insurance on** the life of **Hon. William F. Harrity,** of Philadelphia, who already had $125,000

on his life in that company. Mr. Harrity is a prominent lawyer and financier and a former Philadelphia postmaster under President Cleveland. The Mutual has reinsured $350,000 of this risk. The last of the men who insured during the first year of the existence of the Mutual Life died recently, thus wiping out the "Old Guard." The last issue of the *Statement* says that of the "Old Guard, Company II," the men who insured in the company during the second year of doing business, only three are left—George L. Newman, of Charlottesville, Va.; James Cassidy, and Henry M. Parkhurst, of Portland, Me. The Mutual had a $10,000 policy on the life of the late Col. Jacob L. Greene, which sum, with $5,453 in dividends, was paid to his estate on April 13.

On Friday afternoon of last week Governor Douglas of Massachusetts signed a bill to authorize liability and accident insurance companies to **insure against damage by steam boiler explosions** in that State, thus removing the bar which up to then had prevented any but a single line company from transacting that class of business in Massachusetts. The Fidelity and Casualty, Maryland Casualty and Casualty Company of America were quick to avail themselves of the privilege of the act and make an active push for steam boiler business in competition with the Hartford Steam Boiler, which has hitherto had a monopoly of the general business in the State, that transacted by the Mutual Boiler insurance company being confined to property insured by the factory mutuals.

Suit was begun on Tuesday in the New York Supreme Court at Buffalo, N. Y., by the **Phœnix** insurance company of Hartford **against the New York Central** Railroad for nearly $50,000 damages, which amount was paid in fire insurance on the plant of the New York Car Wheel Works of Buffalo, burned in 1901. The claim of the insurance company is that the firemen had the fire well in control when an engine of the railroad company ran over the lines of hose stretched across the tracks, thus allowing the fire to spread and do the great damage which it did. Fifty-two companies had losses on the works and paid their proportionate shares of the amount, assigning their claims against the railroad to the Phœnix for litigation.

The **Western Factory Insurance Association** has issued a report on the recent loss in the American Cereal Company plant at Cedar Rapids, Ia. The loss was over $1,000,000, making it the largest in the history of equipped risks in the West. It started from dust explosions, which put part of the sprinkler equipment out of service at the start. The force remained at work, however, and shut off the injured portions to prevent the waste of water, so that part of the equipment remained in service and did good work in checking the flames. The main water supply header was broken, however, by the fall of a heavy iron weight, and this shut off all water from the sprinklers, and the plant was entirely destroyed in consequence.

The **water supply for New York** is the foremost matter with local underwriters at present. President Evans, of the Continental, special representative of the New York Board, has written a letter to Governor Higgins urging him to approve of the new water supply bill which passed the Legislature at its recent session. In concluding his letter, he says:

That the bill is not without defects is conceded, but it is the opinion of the New York Board of Fire Underwriters that the defects are comparatively insignificant; a liberal standard of criticism should now be applied in order that the proposed work should be at once begun. The bill as it stands is sufficient properly to accomplish the desired purposes; all minor considerations should give way to an urgent public interest, and the bill in its present condition should therefore be signed.

The **Western of Pittsburgh** has **secured a verdict** in the Federal court at Chicago for $3,243.11 against Frank F. Holmes, former secretary of the National Association of Local Fire Insurance Agents, who has attained litigious prominence by his suits against the Chicago Underwriters' Association. Mr. Holmes was formerly the agent of the Western of Pittsburgh in Chicago, and when the agency was taken up claimed an offset for uncollected balances from a sub-agency in Chicago, over which he contended that he had no control. The evidence did not sustain his position, and the judge directed the jury to bring in a verdict for the company.

The **Southern Fire** of Lynchburg, Va., is taking active steps toward **entering several new States.** Newman & MacBain will represent the company under a special agent's contract in New York city until the company is regularly entered in the State, which will probably be later in the year. They will in the meantime accept desirable surplus lines in the metropolitan district. The Southern is officered as follows: J. Gordon Payne, president; M. H. Dingle, vice president; E. P. Miller, treasurer, and Holmes Cummings, secretary and managing underwriter. The company has formerly operated locally in Virginia, but will enter Pennsylvania June 1 and other States later.

The New York Life has brought suit at Burlington, Ia., to recover $2,700 paid to the Chittenden & Eastman Company as beneficiary of William Jarvis, who disappeared many years ago and was held to be dead, the insurance being paid after the lapse of the statutory period. An unknown man was injured in a fire at Cincinnati last winter, and it was discovered that he was William Jarvis, his brother, H. E. Jarvis, bringing him to his home in Burlington. The Chittenden & Eastman Company refuse to refund the insurance, claiming that Jarvis is dead legally, if not actually.

The **Jersey City** Board of Trade held a special meeting on Wednesday evening to consider the **recent increase in** the insurance **rates** in Hudson County. There was a decided division of opinion among the members of the board present as to whether the charges made in the report of the Committee of Twenty on the conditions in Jersey City were true. A committee of investigation was finally appointed to refute the charge of deficiencies if possible and make a kick to the New York Board. No action looking to the improvement of local conditions was suggested, however.

The report of the joint committee of the New York Fire Insurance Exchange and the New York Board of Fire Underwriters, appointed to consider the plans for **high pressure fire service,** has been completed. After giving details from the plans the report concludes with the recommendations by the committee of engineers, composed of S. H. Lockett and E. G. Hopson, of the engineering corps of the Committee of Twenty; J. F. T. Stewart and E. U. Crosby, of the National Fire Protection Association, and F. C. Mott, of the New York Fire Insurance Exchange.

The *Journalist,* in **excoriating the sensational daily press** of New York for its treatment of the Equitable Life case, properly says:

What great benefit any paper hopes will accrue to the policyholders in the Equitable Assurance Society by making them lose faith in the security of their policies or making the working people lose faith in the savings bank? This makes copy for the newspapers, sensation for sensation lovers, but it may mean widespread mental and even physical distress for a multi-

(*Continued on Page 487.*)

LIABILITY INSURANCE.

By President W. F. Moore, of the New Amsterdam Casualty Company—Read Before the Wharton School of Finance and Commerce of the University of Pennsylvania, May 11, 1905.

President W. F. Moore, of the New Amsterdam Casualty Company, read a paper on liability insurance before the Wharton School of Finance and Commerce of the University of Pennsylvania May 11. He spoke of liability insurance as a recent development of the indemnity principle, dating the first policy from 1881, when it was issued in England. Until 1889 liability insurance had not reached a sufficient volume in America or Europe to attract any particular attention. Since that time, however, it has become a factor of considerable importance in economics both here and abroad, and affords a field for much study and the practice of the best judgment. The necessity for such insurance has for its foundation the burdens imposed upon employers by the workings of that branch of the law relating to negligence, so called. Negligence law, however, existed in some form as far back as there is any definite record, no one having yet been able to clearly determine just when and where it commenced. After tracing the history of negligence law abroad and here Mr. Moore said:

There are practically no text books on insurance which devote any space to this important branch of insurance, but there are whole libraries full of reports on negligence cases both as respects employees and third persons, all of which have a direct bearing upon the principles involved in liability insurance. I will therefore try to place before you in as plain and simple manner as possible the practical working of this kind of insurance.

The purpose of the insurance is stated clearly in the definition used in the laws of the State of New York, which is as follows:

> Insuring anyone against loss or damage resulting from accidents to or injury suffered by an employee or other person and for which the insured is liable.

The employers' liability policy, issued to cover the owner of a factory, begins usually with the following clause:

> The ——————— company does hereby agree to indemnify the assured against loss from the liability imposed by law upon the assured for damages on account of bodily injuries or death accidentally suffered while this policy is in force by any employee or employees of the assured while within the factory, shop or yard described in the schedule, or upon the sidewalk or other ways immediately adjacent thereto provided for the use of such employees or the public, in and during the operation of the trade or business described, etc.

The same general insuring clause is used for many other contingencies of loss from liability, varied, of course, to suit the given subject, as for instance:

Public liability insurance, meaning insurance covering the liability of the employer to persons not in his employ who may visit his plant on business or otherwise.

Employers' liability insurance for contractors and others employing labor on work not confined to any given locality.

Public liability insurance for contractors, covering the liability of the contractor to persons not in his employ who may be injured or killed by reason of the building operations or public work which he is carrying on.

General liability insurance, covering the liability of the owner of a building for injuries or death caused by defects in or about the building, or its operation for the use of tenants.

Elevator liability insurance, relating to the liability of the owner or tenant of a building for accidents caused by the operation of an elevator.

Teams liability insurance, covering the liability of the owner of horses and vehicles for accidents caused by such teams.

Theatre liability insurance, covering the owner of a theatre for his liability for accidents occurring in a theatre or place of amusement.

Vessel liability insurance, covering the liability of the owner of ships, tugs and other vessels, such as barges and scows used for freighting purposes, for injuries or death of any of the crew or of other persons visiting the vessels, and in some cases of the passengers.

Physicians' liability insurance, covering the liability of a physician, surgeon or dentist, for injuries or death caused by alleged malpractice in the profession of the assured.

The same principle runs throughout all of these different policies. Insurance of other different hazards has been from time to time undertaken, but those named are practically all that are in vogue at the present time. The insurance of railroads and other common carriers against injuries to passengers was written by a number of companies some years ago, but experience taught both the railroads and the insurance companies that only where the true principles of insurance are involved can there be any advantage to either party; and it is quite clear that no insurance company could safely assume all the personal injury losses of a railroad company unless it charged a premium equal to the average sum of such losses, plus all expenses and a margin for profit.

On the other hand the railroad company, with a knowledge of the average annual payment for such losses, would not be willing to pay for insurance an amount exceeding such sum, because the plant is usually large enough to establish its own average, and that average loss can be borne by the railroad without danger to its credit. It is not so with the average employer of labor; the storekeeper, the manufacturer, the contractor, the landlord, the owner of vehicles, the owner of a theatre, the owner of a vessel, or the physician—any of these may have his commercial or professional credit seriously impaired by a single suit for damages.

As the theory becomes better understood the possibilities broaden. Steam boiler insurance, an insurance against property damage caused by the explosion of steam boilers, had been carried on for many years in this country, and for a longer period in Europe, prior to the advent of liability insurance, but nearly all such policies at the present time have been so extended as to cover the liability of the owner or operator of the boiler for damages by reason of personal injuries as well as damage to property. New lines are suggested by actual claims that arise and which are not contemplated by any policies now in vogue, and every year marks a step forward in the application of the principle of liability insurance to some new industrial need. A common definition of insurance is as follows:

> A contract of indemnity whereby one party, in consideration of a specific payment called the "premium," undertakes to guarantee another against risk of loss.

The first step, it seems to me, therefore, in this review of liability insurance, having outlined the contract of indemnity that is issued by the insurance company, is to explain how the premium is computed. In all kinds of insurance the exposure, so called, is

THE BASIS OF THE PREMIUM CHARGED.

It will be well, therefore, to start with the employers' liability policy issued to factory owners and determine what is the exposure. One of the provisions of the policy is that the company shall be liable in a sum not exceeding a certain amount (usually $5,000) for injuries to or the death of any one person, and not exceeding a certain amount (usually $10,000) for injuries to or the death of more than one person injured or killed in any one accident. But the settlement of any loss does not diminish the policy in the least and it runs on with the application of the same amounts to other accidents which may happen in the future during the policy period. The limitations of the policy as respects any one person or any one accident cannot therefore be deemed the exposure. The actual exposure is the danger of injury or death to each employee during one year, or the period of the policy. In industrial institutions it would be impracticable, for the purposes of the insurance, to keep account of the actual time of labor of each individual employee, and therefore, in order to establish a measure of relative exposure in given industries, the average wage earned by mechanics, as shown by the United States Census, was taken as a basis. This amounts to about $500 per annum.

Having fixed on this sum (or for that matter any other sum would have been quite as useful) the total amount of wages expended in a given factory in the course of the year, or the term of the policy, if divided by $500, will show the average number of persons employed in the factory for one year. Having adopted a factor on this basis the first underwriters of employers' liability insurance, with no real basis for rates, were obliged to proceed in more or less of an experimental manner, using the experience of accident insurance companies in this country as a guide. It goes without saying, however, that it would be rather a clumsy method to ascertain the number of

men exposed in the manner described and then charge so much per man. A much shorter method is immediately presented, i. e., if it is determined that the rate ought to be $5 for each employee, that sum would be equivalent to 1 per cent. of $500. or one man's wages for one year. The rate, therefore, for the whole risk is easily determined by leaving out any calculation of the number of employees and simply computing the premium as 1 per cent. of the total amount expended for wages during the year. This method was applied to all of the numerous industries sought to be insured, and a ratebook was evolved fixing a rate for about every class of business. The policy is issued based on the estimate of the employer as to the amount of wages he expects to expend during the policy year.

At the end of the policy year he is asked to make a report of the exact amount of wages actually expended, and this report is usually verified by an auditor from the office of the insurance company. If the amount when audited is found to be greater than the amount estimated, the employer pays to the company an additional premium, at the rate stated in the policy, on the excess of the estimate. If the amount is less than the estimate the company returns to him the difference. This is the method of computing the premium for all policies covering employees, the names of employees not being required, the object being to obtain the average number of persons employed during the term of the policy. The term of the policy has, however, no direct bearing upon the amount of the premium, as the expenditure of $100,000 in one month would indicate exactly the same premium as the expenditure of $100,000 in one year, or $500 expended in one week would indicate the exposure of one man for one year. The same method is followed for computing the premium on public liability policies, on the theory that the greater the number of employees the greater the hazard to the public. On the other lines of liability insurance the method is necessarily varied to fit the conditions. The premium on

A GENERAL LIABILITY INSURANCE POLICY,

which covers the liability of the landlord on account of accidents due to defects in the building, etc., is computed on the measurement of the building and its frontage on public thoroughfares and other exposures, such as the use of elevators in the building. The premium on an elevator insurance policy is computed at a certain price for each elevator, experience having indicated the proper charge to be made on this basis; and the same is true of teams insurance. In theatre insurance the charge is made usually on the number of seats in the theatre. In vessel insurance a charge is made for employers' liability on the basis of the wages; public liability on the same basis, and if passengers are insured in any way a charge is made based upon the receipts from passenger traffic. In physicians' liability policies the premium is a fixed sum for each physician.

The premium rates originally charged are found now in many cases to be totally inadequate. Not always because of faulty judgment in the beginning but because the cost to the insurance company has been vastly increased by a continued disposition on the part of courts and legislatures to draw lines closer and place greater burdens on the employer, which burdens, by reason of insurance, fall upon the companies. The schedule of rates has been amended from time to time because it became clear that a risk hazardous for personal accident insurance might be non-hazardous for liability insurance and vice versa; so that during the experimental stages of the business in this country the schedule of rates used by the several companies came to differ considerably, each company accepting business according to its judgment, which in many cases proved to be bad.

Some nine or ten years ago all of the stock companies in the country, with one exception, became associated for the purpose of determining the actual cost of insuring the many different hazards to which liability insurance is applicable. It was deemed wise to collate the past experience of all companies to determine the actual cost in loss payments as against actual exposure. As this work went on important information was compiled resulting in many changes in rates. The method of ascertaining the proper premium charge on an employers' liability policy was to select a given industry and ascertain the total amount of wages expended on all such insured risks for a given period of years, against which was placed the total losses incurred on the same business in the same years. Having these figures it was easy to ascertain the cost in loss for each $100 of wages expended, and to this cost must be added a sum sufficient to cover expenses and leave a margin for profit.

The expense of securing and handling employers' liability insurance is very high, being approximately 50 per cent. of the premium. The loss, therefore, should not be more than 40 per cent. if a company expects to have a margin of 10 per cent. for profit and contingencies. A simple method was adopted for computing a proper rate of premium by multiplying the net loss cost by 2½. For example, if the experience of all the companies showed that for each $100 of wages expended 40 cents was paid in losses, the premium charge for an insurance policy on that class of business should be two and one-half times 40 cents, or $1, and for a policy based on $100,000 payroll, written at 1 per cent., the premium would be $1,000. If such policy carried a normal loss ratio (which would be 40 per cent.), the loss would be $400; the average expense would be 50 per cent. or $500; a total of $900 paid out, leaving $100, or 10 per cent. for the company's margin to cover profits and contingencies.

Practically the same method of compiling experience of all companies was followed in all the different lines with good results. Certain difficulties presented themselves because the general average did not apply to the same class of industries in different parts of the country. In almost any other line of insurance the schedule of rates once established in this way would be a true guide for the future. In liability insurance the same rule does not apply because the schedule established and found to be correct for today might be absolutely incorrect for the future by reason of the changes in laws and social conditions each year.

ENVIRONMENT

is a serious factor in liability underwriting. Not, however, from the same cause that governs other lines of insurance. There are about as many people injured or killed in a given occupation in one part of the country as in another, but the social conditions obtaining in the different sections influence matters of adjustment and of suits to a great degree, as does also the actual difference in statutory provisions.

In the comparatively new States the population is not as homogeneous as in the older and more conservative communities, where whole families for generations have been employed in one industry or mill or factory. Under the latter conditions few claims are made, because the employer is likely to be in close touch with his employees, and his kindly treatment for years will always have an influence on his workmen and tend to prevent excessive claims for slight injuries.

On the other hand in localities where the working classes are made up largely of immigrants from foreign countries, or in any event are of a cosmopolitan character, no such good feeling exists or is likely to exist, and when claims are made for indemnity on account of injuries sustained, the sums demanded assume proportions which, if paid, would be a menace to the successful continuance of a business or trade where mechanical labor is a chief factor; and in such communities when claims are resisted and carried into the courts, unreasonable verdicts are frequently the result, presumably because the juries, being drawn largely from workingmen, are to a great extent in sympathy with the same class as against corporations and capitalists. Beyond these factors in environment is

THE APPLICATION

of the law in the several States of the country. In some States the fellow servant rule is strictly adhered to, while in others this rule is made elastic and decisions are usually favorable to the injured person; and in still others the rule is abrogated altogether. Promise to repair, proximate cause, contributory negligence, presumption of negligence and many other legal subtleties are also widely divergent in application, to such an extent that, in the matter of underwriting and rate making, all these conditions must be considered as having a direct relationship to the selection of risk.

The general average of wages, too, does not always obtain, and it is a notable fact that the nature of employment and the character of workmen in some States decrease the premium per capita, by reason of the local low rate of wages, while the hazard is in no wise proportionately improved, but on the contrary is likely to be worse because of the lower grade of intelligence of the laborers.

It is a fair assumption that no two States are exactly alike from an underwriting standpoint, and this sets up another difficulty in the way of establishing any rule of procedure which would be mathematically correct for the whole country. Each State must be rated and underwritten on the basis of the existing or changing conditions to be found in the given locality, and most companies engaged in liability business tabulate statistics in such a manner as to be able to determine the loss percentage by States.

It may be interesting to note that there are more than 1,200 classifications of risks in the manual of rates at present in use by the liability insurance companies, and that each one of these must be separately tabulated and the results grouped as to relative hazards, and this information in turn subdivided as to States. Every careful company doing this class of business maintains a bureau of actuarial work of this nature, and while the

compilation of the whole has never been effected the business of a sufficient number of companies has been compiled to serve as a general guide.

In explaining how the premium is computed I have stated that a normal loss ratio is 40 per cent., but from this it must not be assumed that the company is making a profit of 60 per cent. The expense of conducting the business is very great; the commissions are heavy and other expenses are large. An examination of the record of all of the companies engaged in this class of business for the past ten years will show an average expense ratio of approximately 50 per cent. The rate of commission alone will average between 25 and 30 per cent., to which must be added the salaries and traveling expenses of special representatives; rent and other expenses of branch offices; cost of surveys and inspections; home office expenses; rent, clerk hire and a multitude of other small charges; the result being, as already stated, approximately 50 per cent. paid out for expenses.

Mr. Moore further discussed at length the problems of expense, adjustments, limitations of liability, outstanding losses and compromising claims in liability insurance, and in concluding said:

It may be well before closing to point out some of the dangers which are likely to be overlooked by beginners or those who have had no considerable experience in the business. The result of the first year's operations, at the prevailing rates of today, is likely to indicate so handsome a profit that the inexperienced manager may be misled into the belief that the rates are excessive. There is probably no other line of insurance so deceptive in this respect, and there is probably no other line of insurance so beset with difficulties and pitfalls as liability insurance. The final result of the first year's business will not be known until the time fixed in the statute of limitations has expired, and if the business is transacted in States where the statute extends six or seven years, it has been shown how long a period the business must run before the actual losses may be determined. It is generally conceded by those longest in the business that the losses shown as having been paid on a given year's business, at the end of the second year, will be at least doubled before a final determination of the business of that year. The element of deferred loss is therefore most serious, and while holding out prospects of a very profitable business during the early years, the result has been, in the experience of every company, an ultimate loss ratio dangerously close to the safety line.

There seems to be no question about the firm establishment of this class of insurance in this country. In some European countries the indemnification of injured workingmen has been made one of the normal items in the cost of operation. In other words, the workman is entitled to payment for his injuries without regard to the liability of the employer, and it has been said that while changes of this kind have been going on in Europe, the United States has stood practically still, and that the justice of it is not comprehended in the United States. However that may be, the only changes that have been made in the laws in this country are along the line of increasing the employer's legal liability and by so much making all the more necessary an insurance such as is furnished by the employers' liability policy. Even if it were possible to so change the relation of the workman to his employer as to compel indemnification of practically all injured employees, the principle would still remain as respects persons not employed by the assured. There is no doubt that legislation and court decisions will affect the business as time goes on, but with the probability of opening up new fields for the same class of insurance along similar lines.

(*Continued from Page* 484.)

tude. If it were not that the people at large laugh at these newspaper mentors the danger might be serious, but as no one takes these papers seriously they effect but little harm. The trouble is that they destroy the influence of the press.

In his annual report Insurance Commissioner Prewitt, of Kentucky, recommends the appointment of a **State fire marshal,** the **repeal of the valued policy** law and the enactment of more stringent laws regulating surplus lines and unauthorized companies. The fire premiums for 1904 were $3,641,538 and the losses paid $1,619,093. The loss ratio for American companies was 45 per cent. and for foreign companies 42 per cent. The department collected $226,345 for fees and licenses, an increase of $50,162 over previous years.

A license to transact business has been refused the **Cooperative Health and Accident insurance company** of Boston, organized on the assessment plan, by Insurance Commissioner Cutting. When the 500 applications required in Massachusetts were submitted to the commissioner that official surmised that all was not right, and set the State police to investigate, with the result that it was discovered that of the first twenty applications examined fourteen were not *bona fide,* no payments having been made upon them.

The annual meeting of the **Georgia Fire Underwriters' Association** was held last week at Columbus. The following officers and executive committee were elected: President, C. C. Hatcher, Atlanta; first vice president, Frank G. Lumpkin, Columbus; second vice president, L. J. Henry, Augusta; secretary and treasurer, J. M. Williams, Dublin; executive committee, George R. Turpin, Macon; W. L. Wilson, Savannah; Phil Lanier, West Point; Edgar Dunlap, Atlanta; Alex. Peoples, Valdosta, and R. E. Allen, Augusta.

The May meeting of the **Life Underwriters' Association of Western Massachusetts** was held at the Cooley House, Springfield, Mass., on Friday evening, May 5. After the banquet Messrs. L. L. Hopkins, president of the Life Underwriters' Association of Boston; Percy V. Baldwin, of the Boston agency of the Travelers insurance company; S. F. Woodman, of Boston, a member of the executive committee of the National Life Underwriters' Association, and Rev. Dr. W. W. Weeks made addresses.

The **Virginia Association of Local Fire Insurance Agents** was in session at Richmond this week and elected the following officers: President, W. T. Paxton, Buena Vista; first vice president, B. F. Kirkpatrick, Lynchburg; second vice president, H. H. Trice, Norfolk; secretary and treasurer, S. L. Pulliam, Richmond. Among the guests of the association who were present and made addresses were President Cunningham, of the Glens Falls, and former national president C. H. Woodworth.

The annual report of the **Scottish Union and National** of Edinburgh shows that in the fire department in 1904 the premium income was £597,260, and the claims and expenses £566,951, leaving a surplus of £30,309. Including £61,104 brought forward, the available net profit was £200,979. The directors add £50,000 to general reserve, £15,000 to fire premium reserve, and £25,000 to investment contingency account, leaving £58,479 to be carried forward.

As a **remarkable example of the "rule of three,"** William I. Walker, city manager of the Travelers insurance company at Atlanta, Ga., was knocked down and injured by a negro bicycle messenger while boarding a street car in that city on Tuesday. The week before J. J. Coleman, an insurance agent, was injured in precisely the same manner, and on April 17 State Agent Roscoe W. Gorman, of the Travelers, was killed in an exactly similar accident.

The **Detroit Conference** of accident and health insurance companies takes place at the Hotel Cadillac, Detroit, Mich., from Wednesday to Friday of next week. Papers will be read by L. O. Chatfield, of the Phœnix Accident of Detroit; H. W. Corey, of the Great Eastern Casualty and Indemnity; W. G. Curtis, of the Northern Accident; A. A. Smith, of

the Continental Casualty, and C. H. Boyer, of the General Accident of Philadelphia.

"We have found it so," remarks the *Journal of Insurance Economics* to the observation of THE WEEKLY UNDERWRITER that "the best way to create sympathy for any man is to overdo your censure of him in the press." With Moore Sanborn announcing the possibility that he will turn preacher, and these two journals sobbing their repentance, isn't the mourner's bench liable to become a little overcrowded with insurance men?—*Louisville Insurance Field.*

Won't our esteemed contemporary please draw a diagram of its joke?

A resolution **suspending** the rule requiring **the 80 per cent. co-insurance clause on** household **furniture** and personal property was adopted by the New York Fire Insurance Exchange at a special meeting on Monday. The matter was referred for consideration to a special committee appointed by the chair, and consisting of E. H. A. Correa, Harold Herrick, John M. Whiton, A. D. Irving and Charles L. Case.

The May meeting of the **St. Louis Life Underwriters' Association** was held at the Commercial Club on the evening of May 16. W. D. Vandiver, the new superintendent of insurance, made his debut among insurance men, and Judge John E. McKeighan, attorney for the Mutual Life of New York in the Blair insurance suits, also spoke. E. S. Williams discussed "Rebating" and F. S. Cheney "Twisting."

The **Underwriters' Agency Company of New Haven** was incorporated last week at Hartford with a capital of $5,000 to do a general fire, life, marine and brokerage business. The incorporators are Lieut. Gov. R. S. Woodruff, of the C. S. Mersick Company; N. W. Kendall, head of the Yale Brewing Company; F. C. Bushnell, of the F. C. Bushnell Company, and Walter M. Wellman, of Clinton.

The May issue of the *Pelican*, the company paper of the **Mutual Benefit Life,** says:

An increase of 23.34 per cent. was made last month over the corresponding month of last year in the amount of new insurance applied for. The increase in the number of applications submitted was 14,4 per cent. The volume of new insurance applied for was greater than in any preceding month in the company's history, save only December, 1899, which was the last month we wrote 4 per cent. reserve policies.

In his **May** address to the agency force of the Equitable Life Assurance Society **Vice President Tarbell** utters congratulations on the continued fine new business of the company. He says:

The number of policies issued by the society for this month of April, 1905, is more than 1,000 in excess of the number issued in April one year ago. Our actual paid business thus far this year is almost exactly $5,000,000 ahead of the paid business of the first four months of last year.

The **Sun Life** insurance company of Canada has recently increased its **deposits in the United States** for the better security of its policyholders on this side the border. It has placed $500,000 in the vaults of the Michigan Insurance Department, and has executed a trust deed appointing the Fidelity Trust Company of Newark the custodian of a like amount in bonds, to secure its liabilities.

On Tuesday, at the regular monthly meeting of the **Underwriters' Association of the Middle Department,** held at Philadelphia, Special Agent Gilbert A. Russell, of the Citizens, was elected president of the association; J. Woods Brown, of the Fire Association of Philadelphia, vice president, and A. E. Dunning, of the Phœnix of Hartford, a member of the executive committee.

Timely notice has been given by Fire Commissioner Wells, of Boston, that no **firecrackers** exceeding 6 inches in length shall be sold this year; that neither blank cartridges nor pistols shall be delivered to anyone under seventeen years of age, and that no explosives in the shape of potash-dextrine tablets shall be sold. It remains to be seen whether this will insure a harmless Fourth in Boston.

A **constable of Auburn, N. Y.,** George E. Wills, who ran a sewing machine agency on the side, was **arrested** last week on account of a shortage of $800 in his accounts, at the instigation of Chief Inspector Cole of the American Surety Company, and held for the grand jury. The American Surety paid a bond of $500 which the sewing machine company had on the constable.

The **banking bill** recently **passed by** the **Texas** Legislature, which allowed trust companies to do a surety business, was vetoed by the Governor on the advice of the Attorney General of the State that it was unconstitutional. A new and amended bill drawn up by the Attorney General will be submitted to the special session now sitting, and will eliminate objectionable features.

That there are places where a **slow fusing sprinkler is in order** was shown by the bursting of a head over the steam coils of a heating apparatus in the Keuffel & Esser Company machine shop at Hoboken, N. J., April 26. The heat from the apparatus caused the solder to crawl. The head, which was of the Buell 155 degree type, has been replaced by one of 266 degrees.

A final order has been entered in the **wildcat litigation in Illinois,** making permanent the temporary injunction issued against the wildcats last year, and extending it to all the companies proceeded against. The test case carried to the Supreme Court of that State affected three companies only, but it was stipulated that all should abide by the results of the decision.

The **National Convention of Insurance Commissioners** will hold the next annual meeting at the new Mount Washington Hotel, Brettonwoods, N. H., which is in the White Mountains region. There will be a three days' session, September 26, 27 and 28. A special rate of $4 per day has been arranged with the hotel for delegates and others in attendance.

All hope of saving the **Joy Line steamer Aransas,** which was sunk in Vineyard Sound the other day, has been abandoned, and she is to be blown up with dynamite, as she is a menace to navigation where she lies. This action has been recommended by the underwriters, although they are interested in the hull and cargo, valued together at about $160,000.

The annual meeting of the **New York Board of Fire Underwriters** was held on Wednesday, and the ticket for officers and members of standing committees announced last week was elected. Manager Wray, of the Commercial Union, on behalf of the board, presented President Lockwood with a handsome ivory gavel.

The **Western of Pittsburgh,** which is operating only in the large cities of the West, is preparing to materially extend its business, and is looking for a field man. It will plant a number of agencies in Illinois, where it now operates only in Chicago, and also in Missouri, where it is located only in St. Louis, Kansas City and St. Joe.

The alleged swindler **Sam Lobley,** alias Edwards and Henderson, was arraigned in court on Thursday on a charge of defrauding the Equitable Life Assurance Society out of $27,000, and **held** in default of bail. Thomas Lobley, Jr., his nephew, and Emil H. Neumer, a former clerk of the society, were also held as accomplices.

On account of the **Harrisburg** railroad **wreck** the Travelers insurance company of Hartford sustained $34,000 for **losses** of life and $53,000 for injuries not fatal. The death losses were $4,000 greater than the face of the policies on which the claims were made on account of the accumulative provisions therein.

There is no doubt that the customary courtesy of election for a second term will be offered President George J. Dexter at the annual meeting of the **South Eastern Tariff Association,** which will be held at the Hotel Chamberlain, Old Point Comfort, Virginia, on Wednesday and Thursday of next week.

The **Queen City Fire** insurance company of Sioux Falls, S. Dak., recently organized with a paid in capital of $200,000 and $20,000 net surplus, has appointed Daniel Woodcock & Co. general Eastern managers. Besides New York, the company has already entered Pennsylvania and Ohio.

The **Argus Comparative Charts** for the Eastern and Southern States and Canada and the Western Pacific Coast and Southern States, showing premium receipts and losses in each by companies in 1904, have been issued by the Rollins Publishing Company. One dollar each.

The **Union Central Life insurance company** of Cincinnati announces the formal opening of its new offices, on the tenth floor of the North American Building, Philadelphia, on Thursday, May 18. Manager Blair T. Scott invites the public to call and inspect the new offices.

Among the passengers who arrived in New York Thursday night on the steamer Graf Waldersee from Hamburg were sixteen general agents of the **New York Life** insurance company, who come from Europe to attend the **jubilee** of the company.

The Western manager of the **Connecticut Fire insurance company** announces that no efforts will be made to include the local agents in his controversy with the Western Union, and that no rate wars will be begun as a result of separation.

Firebug cases in Wood County, Ohio, have become so numerous that the insurance agents are considering special action. Fire Marshal Henry D. Davis conferred with the insurance men at Toledo concerning the matter last week.

Governor Broward, of little Florida, is the latest performer on the insurance trapeze.—*Des Moines (Ia.) Underwriters' Review.*

Come, now! Florida has an area of 58,680 square miles and Iowa 56,025 square miles. **"Little Florida," indeed!**

The **Queen City Fire** of Sioux Falls, S. Dak., recently organized with $200,000 cash capital and $20,000 surplus, will enter New York and other Eastern States, under the management of Daniel Woodcock & Co., of New York.

Five policyholders of the Fidelity and Casualty Company were **injured** in the Harrisburg railroad disaster. None died. One claim out of the above number was made on the beneficiary clause which the company's policies contain.

The **Pacific Underwriter Insurance Chart** gives in detailed figures the fire insurance transactions of the companies doing business on the Coast for 1904 and the four years preceding. It is published by R. W. Neal, San Francisco.

A **portrait of the late George M. Coit** was presented to the New York Board of Fire Underwriters this week by several of his friends. It will be added to the fine collection of portraits in the meeting room of the board.

A policy a year old in the Equitable Life for $50,000 was held by **the late Sam Shubert,** theatrical manager, who died last week following injuries received in the dynamite train wreck near Harrisburg, Pa., and has been paid.

The board of directors of the **Birmingham insurance company** of Pittsburgh have elected Charles Melling president, William Ruski vice president and Henry Wachter assistant secretary.

The **Columbian National Life** of Boston has opened branch agencies at 26 Court street, Brooklyn; 143 West 125th street, Harlem, and 15 Exchange place, Jersey City.

The Des Moines, Ia., professional baseball club has been nicknamed **the "Underwriters,"** in recognition of the fact that Des Moines is the Hartford of the West.

The Governor of Wisconsin has signed the bill **refunding** certain excess **license fees paid by the Manhattan Life** insurance company in that State in 1902.

The **Presbyterian Ministers Fund of Philadelphia** has been licensed to do business in Illinois. It has hitherto confined its operations to its own State.

The Baltimore, Md., insurance firm of **J. Ramsay Barry & Co.** has opened a branch office at 80 William street, New York, for surplus lines.

The **United Surety Company of Baltimore,** just organized, starts July 1 with a paid in capital of $500,000, and surplus of $250,000.

The St. Paul Fire and Marine, which makes a specialty of **hail insurance,** is preparing to take up the same line in the South.

The **People's Surety Company** of Brooklyn began writing business on Monday.

Personal.

AGENCY APPOINTMENTS.

Calumet Fire: Robert Zerner & Co., Indianapolis.

Citizens of St. Louis: Jay S. Glidden, special agent for Cook County, Ill.

Eagle Fire: Negley & Clark, general agents for Allegheny County, including Pittsburgh, Pa.

Royal: J. F. Sperry, of Champaign, associate special agent in Illinois.

Svea: John T. Kaler, Boston.

Mr. James A. Duncan, formerly well known as an insurance agent at Watertown, N. Y., died in Auburn Prison on May 7, where he had been sent after pleading guilty to a forgery in 1903. Duncan was formerly connected with the Prudential in Watertown, and was a collector and solicitor for insurance firms there. On account of sickness in his family he got deeply into debt and invented an insurance company of his own, known as the "Oneida and Union," for which he sold policies. He also forged notes for several hundred dollars and sold them. After that act he escaped to Canada, but was brought back. He was serving an indeterminate sentence of not less than three nor more than five years when he died. He was about thirty-four years old. He left a widow and four young children.

President Pattison, of the Union Central Life of Cincinnati, has formally announced his candidacy for the Democratic nomination for Governor of Ohio. His chances of election are believed to be excellent, as Gov-

ernor Herrick, who will probably be the Republican nominee, has rendered himself very unpopular with the church people by his attitude in reference to temperance legislation in which they were interested. As the revolt is among the church people Mr. Pattison's candidacy will be particularly strong with them, for he is prominent in the numerically large Methodist denomination in Ohio.

Mr. Frederick M. Lloyd, assistant secretary of the Security insurance company of New Haven, Conn., died at his home in that city last Saturday. He was thirty-four years old and had always been a resident of New Haven. He began with the Security as a clerk in 1894, after graduating the previous year from Yale. He became special agent of the company in the New England field a few years later, and in January, 1904, was appointed to the position which he held at the time of his death.

Mr. Daniel Boone, agency director of the New York Life insurance company at Kansas City, Mo., will become September 1 inspector of agencies of the company for New York, New Jersey, Connecticut and Canada, and will work from the home office. He was with the company seven years at Kansas City and at St. Louis before that.

Mr. Eugene R. Ellis, who has been manager of the Washington Life insurance company in Georgia since August last, has resigned. He was prominently connected with the Penn Mutual, the Ætna and the Equitable on the Pacific Coast before he went South, and was for a time inspector of agencies for the Equitable on the Coast.

Mr. W. F. Braun, assistant manager of the Western department of the Delaware and Reliance, has resigned to go into the wholesale tea and coffee business. Mr. Braun was with the London Assurance in Chicago for thirteen years before going with the Delaware and Reliance three years ago.

Gen. Louis Wagner has resigned the presidency of the City Trust, Safe Deposit and Surety Company of Philadelphia, and has been succeeded by J. Hampton Moore, at present chief of the Bureau of Manufactures of the Department of Commerce and Labor at Washington.

Secretary William Alexander, of the Equitable Life Assurance Society, has written a volume entitled "The Life Insurance Company," which has been published by D. Appleton & Co. It is a timely contribution to the life insurance literature of the present period.

Mr. John A. Hartigan, of St. Paul, has been appointed actuary of the State Insurance Department, succeeding D. C. Lightbourn, who will return to editing his paper, the *Ada Index*. Mr. Hartigan is a professor at St. Thomas' Catholic College.

Mr. Herbert B. Sexton, in charge of the marine department of Johnson & Higgins, Chicago, has been appointed manager of the fire branch, succeeding C. H. Clark, resigned. The agency has combined these two departments under his management.

Mr. William A. Dibbs, who for the past twelve years has been with the claim department of the Metropolitan Street Railway Company, has gone with the Empire State Surety Company as superintendent of the claim department.

Mr. Silas M. Barr, a general agent for the Equitable Life in Chicago, has resigned to become superintendent of agencies for the Ætna Life in the Lynas general agency in Chicago. Mr. Barr was formerly in the Lynas agency.

Mr. John H. Ansley has been appointed special agent of the Philadelphia Underwriters for Eastern Pennsylvania, with headquarters at Philadelphia. He was formerly Pennsylvania special agent of the Delaware Fire.

Mr. Fletcher E. Edmonds has been appointed manager of the Empire State Surety Company's personal accident and health department. He was formerly with the Casualty Company of America.

Mr. W. S. Carpenter, of Racine, Wis., has been appointed special agent of the Connecticut Fire insurance company for that State. He is head of the local agency of Carpenter & Rowland.

Mr. John Rusk, a lawyer and insurance agent of Middletown, N. Y., was found dead in a chair at his office in that city on May 10. He was seventy years old.

President Tatlock, of the Washington Life, who has been making a tour of important Western insurance centres, is expected to return to New York today.

Mr. Henry H. Hills, of Wyoming, Ohio, for many years secretary of the International Association of Fire Engineers, died in that place last week.

Mr. John H. Stoddard celebrated the thirtieth anniversary of his connection with the New York Underwriters' Agency on Friday of last week.

Mr. Justin V. Hascom, treasurer of the Granite State Fire of Portsmouth, N. H., died there May 4, aged seventy-five years.

Official Reports.

New York State Life Insurance Report.

Part II of the forty-sixth annual report of the New York State Superintendent of Insurance is at hand. The following are the recapitulations of the statistical tables showing the business and condition in 1904 of life insurance and fidelity and casualty companies reporting to the department:

ASSETS.

Table II gives the assets of life insurance companies doing business in this State on December 31, 1904. The gross assets were $2,454,669,486.63, an increase of $228,246,284.23 as compared with the previous year. Of this amount New York State companies have $1,486,485,106.34, an increase of $139,382,843.96; companies of other States, $968,184,380.29, an increase of $88,863,440.27. The aggregate of premium notes and loans shows an increase of $1,043,895.27 during 1904, while deferred and uncollected premiums have increased $2,601,575.42.

LIABILITIES.

Table III, as compared with the same table in the department reports previous to that of 1902, has been modified, in that special funds are not included in general liabilities and shows in detail the liabilities of the several companies, the total of which, excluding gross surplus of $183,343,892.40 and special funds of $174,002,638.51, is $2,097,322,955.72. On the above basis the liabilities of the New York State companies as reported are $1,256,897,770.22, companies of other States $840,425,185.50. For New York State companies the gross surplus (including $3,865,000 of capital) is $100,863,674.01, special funds $128,723,662.11, companies of other States' surplus (including $7,975,500 of capital) is $82,480,218.39, special funds $45,278,976.40, aggregate surplus and special funds $357,346,530.91.

INCOME.

From Table IV it appears that the aggregate income of New York State companies was $344,465,284.64, an increase over 1903 of $25,521,852.41, other States' companies $236,278,674.50, increase $21,060,247.60, making the gross income $580,743,959.14, and the gross increase over the income of the preceding year $46,582,100.01. The net excess of income over disbursements for 1904 was $200,694,283.18, while for 1903 it was $184,708,151.51. The total premium income for 1903 was $431,839,093.14, for 1904 $469,542,922.04.

DISBURSEMENTS.

Table V shows the disbursements of the year to have been $380,049,675.96, an increase of $30,595,968.34, compared with the preceding year; $171,804,278.36 was paid for claims, $35,916,235.68 for lapsed and surrendered policies, $33,334,133.45 in dividends to policyholders, $1,182,890.97 on supplementary contracts not involving life contingencies, $792,307 in dividends to stockholders, $67,086,887.97 for commissions, $36,537,255.98 for salaries and medical examiners' fees, and $33,395,686.55 for miscellaneous purposes. This classification shows that $242,237,538.46 was paid to policyholders, while the cost of management, including dividends to stockholders, was $137,812,137.50.

POLICY RECORD.

Tables VI and VII present the policy record for 1904, industrial business not included. The New York State companies issued 687,678 policies, insuring $1,147,448,348, and terminated 365,623 policies, insuring $703,773,814. The companies of other States issued 413,435 policies, insuring $737,378,017, and terminated 214,602 policies, insuring $394,179,164. The aggregate of the above is 1,101,113 policies issued, insuring $1,884,826,365, and 580,225 policies terminated, insuring $1,097,952,978. Compared with 1903, it appears that the companies issued 124,922 policies more last year, and increased the amount of insurance written $125,144,842. There were 78,800 more policies terminated in 1904 than in 1903, and $139,206,218 more insurance. The terminated policies are scheduled as follows:

	Number.	Amount.
Deaths	47,701	$118,730,326
Maturity	11,720	27,428,642
Expiry	79,096	144,173,299
Surrender	63,519	151,214,509
Lapse	275,784	422,366,968
Change	9,517	54,332,030
Not taken	92,888	179,707,204
Totals	580,225	$1,097,952,978

INCREASE AND DECREASE OF INSURANCE.

Table VIII shows the business done by each company as compared with the preceding year. The increase of policies is 521,095 and of insurance $786,817,550.

POLICIES CLASSIFIED.

Table IX is an exhibit of the kind of policies issued by each company during 1904, excluding industrial business. It will be seen that at the close of 1904 the companies doing business in this State had 4,949,722 policies in force, insuring $10,028,090,981, classified as follows: Whole life, 3,115,867 policies, insuring $6,517,003,437; endowment, 1,526,875 policies, insuring $2,685,870,851; all other, including term and irregular policies, 306,980 policies, insuring $760,792,212; total amount of additions to same, $64,424,481.

BUSINESS OF 1903 AND 1904 COMPARED.

The following is an abstract of the statements, as tabulated, rendered by the life and stipulated premium life, fidelity and

casualty companies for the year 1904, compared with similar companies for 1903:

LIFE COMPANIES.

	1903.	1904.
Number	42	42
Assets	$2,226,423,202	$2,454,669,487
Reserve	$1,872,890,594	$2,057,516,703
Other liabilities	34,730,551	39,806,253
Total liabilities	$1,907,621,145	$2,097,322,956
Surplus to policyholders	*$318,802,057	$357,346,531
Capital stock	11,365,500	11,840,500
Premiums received	$431,839,093	$469,542,922
All other receipts	102,322,766	111,201,037
Total income	$534,161,859	$580,743,959

*Includes special funds.

	1903.	1904.
Claims paid	$158,131,967	$171,804,278
Dividends to policyholders	30,617,368	33,334,133
Paid for forfeited policies	31,497,758	35,916,236
Supplementary contracts	528,556	1,182,891
Expenses	127,912,001	137,019,831
Dividends to stockholders	766,057	792,307
Total disbursements	$349,453,707	$380,049,676
Policies in force	4,428,627	4,949,722
Insurance in force	$9,241,273,431	$10,028,090,981

INDUSTRIAL RISKS.

Companies.	1903.		1904.	
	Number of Policies.	Amount Insured.	Number of Policies.	Amount Insured.
Metropolitan	7,187,345	$1,059,875,827	7,614,729	$1,127,889,229
Prudential	5,176,456	613,935,910	5,642,335	675,992,239
John Hancock	1,395,779	216,375,960	1,474,399	233,069,767
Germania	3,192	413,864	2,993	389,924
Colonial	70,076	8,028,103	83,690	9,781,317
Columbian National	18,756	2,630,959	40,397	5,532,978
Bankers	.....	.....	4,196	419,760
Totals	$13,851,604	$1,901,260,623	$14,862,739	$2,053,075,214

FIDELITY AND CASUALTY COMPANIES.

	1903.	1904.
Number of companies	36	38
Assets	$67,354,937	$70,476,877
Unearned premiums	$17,911,691	$19,737,824
All other liabilities	13,721,187	13,129,264
Total liabilities	$31,632,878	$32,867,088
Capital stock	$18,219,000	$17,810,832
Surplus	17,503,059	19,798,957
Premiums received	$36,090,786	$40,364,491
All other receipts	3,219,005	3,215,385
Total income	$39,309,791	$43,579,876
	1903.	1904.
Claims paid	$12,898,006	$14,748,592
Dividends to stockholders	1,506,473	1,577,973
Expenses	20,358,500	23,880,138
Total disbursements	$34,762,979	$40,206,703

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Arkansas.

The Governor has vetoed Senate Bill No. 73, authorizing the incorporation of assessment associations to do a life, accident and health business, on the ground that the existing laws amply provide for such incorporations.

Connecticut.

Hartford, Conn., May 18.—The House has passed the resolution amending the charter of the Travelers insurance company so that the board of directors shall consist of not less than nine nor more than fifteen members. At the annual meeting in January, 1906, the directors elected are to be divided into three classes, to serve for one, two and three years respectively. At the next annual meeting of the directors five are to be elected for three years. This provides for a continuing board.

A hearing was to have been held this afternoon by the Committee on Insurance on the resolution incorporating the Lawyers' Title insurance company of Connecticut, located at Stamford. Colonel Coe, of Stamford, was unable to be present, and the hearing was adjourned until Wednesday of next week.

Florida.

Tallahassee, Fla., May 11.—Both State insurance bills have been reported back to the House today without recommendation. It is not believed that either will become a law.

Mr. Smith of Volusia has introduced a bill to require fire and life insurance companies to invest 50 per cent. of their net earnings in the State.

Massachusetts.

Boston, May 17.—The general bill to allow casualty companies to do boiler insurance business was enacted by the Senate today, sent to the Governor and promptly signed.

Boston, Mass., May 18.—A bill was reported to the House this afternoon by the Committee on Mercantile Affairs to provide for more thorough inspection of steam boilers by the district police or by inspectors of insurance companes authorized to do business in the State. The inspection must be at least three times a year, internally and externally, and the bill covers all boilers, except locomotives, those used in private residences and those in creameries and horticultural establishments. It applies to all of over 3 horse power. The fee of the inspector is $5. The insurance company must report to the State within fourteen days under penalty of $500, and the same penalty is put upon the boiler owner who violates the law. Authority is given to the district police to enter private property in order to make inspections. This is a consequence of the Brockton disaster.

Michigan.

Lansing, Mich., May 12.—Both Houses have passed the bill increasing the minimum liability reserve from 40 to 50 per cent.

New York.

Albany, N. Y., May 18.—The Governor has signed Mr. Frawley's Senate Bill No. 960, authorizing the New York City Comptroller to refund certain taxes paid by the National Surety Company.

The Governor will give a hearing May 23, 2:30 p. m., on the foreign insurance company bill, regarding investments in other companies' stock (Senate Bill No. 1011), by Mr. Grady.

Texas.

Austin, Tex., May 18.—The bill which was introduced at the special session of the Legislature taxing the gross receipts of insurance companies was passed finally and is now a law, having just been signed by the Governor. The new law taxes the gross receipts of life insurance companies 2¼ per cent., and those of fire and all other insurance companies 1¾ per cent. This new law was passed to correct the unconstitutional provisions contained in the law which was enacted at the regular session of the Legislature. The original law taxed the gross receipts of life insurance companies 2 per cent., and the gross receipts of fire and all other insurance companies 1½ per cent. It also contained a provision requiring all insurance companies to pay a franchise tax to the Secretary of State, annually, based upon their authorized capital stock. This is the provision which was claimed to be unconstitutional, and it was made the basis for injunction proceedings instituted in the District Court here by forty-two fire insurance companies doing business in Texas, to restrain the Secretary of State from levying and collecting the franchise tax. Immediately upon the filing of this suit the subject of enacting an

amended law was submitted to the Legislature by Governor Lanham, and has been carried into effect as above noted. While the tax as provided in the new law is more than that fixed in the law which is now nullified, the new law does not contain a franchise tax provision, and the insurance companies feel that they have won a victory after all.

Wisconsin.

Madison, Wis., May 12.—House Bill No. 433, by Mr. Henry, to amend Section 1943 of the Statutes of 1898, relating to the value of property totally destroyed by fire, has been passed by the House.

The Senate has amended and concurred in House Bill No. 459, by Mr. Tarrell, to amend Chapter 232 of the Laws of 1901, regulating the organization, admission fees and taxes of reinsurance companies.

Upon motion of Senator Noble, House Bill No. 697, to amend Section 1977 of the Statutes of 1898, relating to agents of insurance companies, was re-referred to the Committee on Finance, Banks and Insurance.

House Bill No. 391, by Mr. Threine, to require all insurance contracts to be in writing and to prevent discriminations in premiums thereon, was not concurred in by the Senate.

The Senate Committee on Assessment and Collection of Taxes, to which was referred Senate Bill No. 305, by Mr. Hudnall, to amend Section 1219, Statutes of 1898, relating to the taxes of fire and marine insurance companies, reported it back with an amendment, and with the recommendation that, when so amended, it do pass.

Senate Bill No. 361, by Mr. Hudnall, to amend Section 1966—49, Statutes of 1898, relating to the license fee of casualty and suretyship insurance companies, was reported, with the recommendation that it do pass.

Senate Bill No. 453, by Mr. Rogers, regulating license fees to be paid by fire insurance companies, and Senate Bill No. 454, by Mr. Rogers, regulating license fees to be paid by life insurance companies, corporations and associations, were reported, with the recommendation that they be indefinitely postponed.

The House has passed House Bill No. 433, by Mr. Henry, to amend Section 1943 of the Statutes of 1898, relating to the value of property totally destroyed by fire.

House Bill No. 545, by Mr. Crowley, providing for licenses to agents to procure fire policies in unauthorized corporations, providing for a bond to be given by such agents, and for a tax upon the receipts of premiums received for policies so issued within the State, and for the payment of the tax to city, village or town treasurers for the support and maintenance of fire departments, has been ordered to third reading in the Senate.

Communications.

Some Further Discrepancies in the Mutual Reserve Accounts Noted.

To the Editor of the Weekly Underwriter:

Having a client who has brought suit against the Mutual Reserve Life insurance company, I have been interested in the communications in THE WEEKLY UNDERWRITER relating to it, and if the statements contained therein are justified by the facts I fear the Insurance Department has not protected the interests of the policyholders as fully as it should have done.

It seems to me, after a study of the case, that the following additional observations are pertinent.

Assessment policyholders of the company in Canada are to be congratulated on having a law which limits the cost to about one-half the amount collected last year, and makes it illegal to charge liens against their policies or make extra calls for any purpose. Assessment policyholders in the United States are not so favorably situated, there being no limit to the amount that may be collected from them or the extent to which their insurance may be reduced by liens, "extra mortality," etc. I see that it is claimed that injustice is being done policyholders in reduced circumstances, in that while large amounts, charged as liens, "extra mortality," etc., are deducted from their claims, no such deductions are made from the claims of those who challenge the right to charge liens, "extra mortality," etc., and have the means to enable them to test their cases in the courts.

It seems to me that if the Superintendent of Insurance complies with the law, in making his examination of the company, he cannot allow the "Mutual Reserve Building" leasehold as an asset.

Article II, Section 86, of the insurance law of the State of New York, reads as follows:

What May Be Allowed as Assets.—In estimating the condition of any life insurance corporation, under the provisions of this chapter, or in any examination made by him, or by an examiner appointed by him, the superintendent shall allow as assets only such investments as are authorized by the laws of this State, at the date of examination.

Article I, Sections 13 and 16, of the insurance law, define the character of the securities in which the funds of insurance corporations may be invested as follows:

In the stocks or bonds of the United States or of any one of the States.

In the stocks or bonds of any foreign country, to the extent which may be required under the laws thereof, as a condition of such corporation doing business therein.

In the stocks or bonds of any solvent institution incorporated under the laws of the United States or of any State thereof.

In the bonds of any county or incorporated city, town, village or school district in the State of New York.

In bonds and mortgages on improved, unincumbered real property worth double the sum loaned thereon.

In such real estate as it is authorized by chapter 690 to hold.

In loans on policies, on the pledge of such policies and accumulations as collateral security.

The amount which may be invested in real estate is restricted by Article I, Section 20, which reads as follows:

Restrictions as to Real Property.—Every insurance corporation transacting business in this State may purchase, hold and convey real property only for the following purposes and in the following manner:

1. The building in which it has its principal office and the land upon which it stands.

2. Such as shall be requisite for its convenient accommodation in the transaction of its business.

3. Such as shall have been acquired for the accommodation of its business.

4. Such as shall have been mortgaged to it in good faith by way of security for loans previously contracted or for money due.

5. Such as shall have been conveyed to it in satisfaction of debts previously contracted in the course of its dealings.

6. Such as shall have been purchased at sales upon judgments, decrees or mortgages obtained or made for such debts.

Chapter I, Section 3, of the general laws, reads as follows:

Real Property.—The term real property includes real estate, lands, tenements and hereditaments, corporeal and incorporeal.

The "Mutual Reserve Building" is "real property," but it has not been "acquired," "mortgaged," "conveyed" or "purchased" by the Mutual Reserve Company. It has been leased, for a term of years, at an annual rental of $60,000, which it pays to the owners—the Weld Estate. It was stated in the sworn report for the year ending December 31, 1896, that the cost of the construction of this building amounted to $528,022, and it is safe to say that not a dollar of it is likely to be returned to the reserve fund from which it was taken. The loss of the $528,022 invested in the "Mutual Reserve Building" leasehold is only a part of the cost to policyholders as a result of this peculiar investment, as shown by the following statement:

Cost of construction	$528,022.00
Interest on $528,022 at 4 per cent., 1894-1904	232,339.68
Extra rent paid since 1893	697,818.65
Expenses and taxes, "Mutual Reserve Building"	1,282,898.41
Total	$2,741,068.74
Income from rent, "Mutual Reserve Building"	1,471,023.93
Estimated loss, 1894-1904	$1,270,044.81

It being the fact that the insurance in force in 1893 was nearly three times greater than it is now, it is not unreasonable to conclude that the amount paid for rent annually, since 1893, should not average more than it cost that year. The amount paid for rent in 1893 was $46,004.92; the average, per annum, charged to rent, 1894 to 1904, is $109,442.99. By charging the company, each year, nearly double the amount paid in 1893 for "home office rent," the management makes it appear that the net income from the $528,022 invested in the "Mutual Reserve Building" has averaged about $7,000 per annum.

If it is true, as stated by "An Old Policyholder" in your recent issue, that of "$1,289,218.12 reduction of premium notes," only $21,185.54 was "redeemed in cash," the Mutual Reserve must be furnishing a large amount of insurance from which it receives no income other than notes that are of no value. Millions of dollars of this kind of business can be done without the exchange of a single dollar in cash. It may seem difficult, but, like everything else, it is very simple when you know how to do it. All that is necessary is to get the notes and credit them to income, and, when due, whether paid or not, charge the amount to expenditure and get new notes, if required, to swell the assets, in making up the annual statement.

On December 31, 1904, more than 60 per cent. of the assets of the Mutual Reserve consisted of the following securities of uncertain value:

Premium notes, loans or liens	$2,102,306.48
Uncollected and deferred premiums	889,612.00
"Mutual Reserve Building"	482,598.00
Total	$3,474,516.48

The "loans or liens" represent the amount charged for alleged arrears of premiums to be deducted from the amount insured when the policies become claims, and, therefore, instead of being a "loan" it is a charge for which the insured receive no value. In plain English the "loans or liens" means that the company has that much less insurance in force. Loans made to policyholders by other life insurance companies represent money actually paid to the company and loaned to policyholders on the security of their policies.

It seems to me an injustice that the cost of insurance on old policyholders is increased by the expenditure of large amounts in salaries of officers, agents, commissions, etc., as shown by the following statement compiled from the sworn reports:

Cost of new business, 1900-04	$3,939,438
Salaries of officers and office employees	1,483,654
Renewal and commuted commissions	1,131,895
Actuarial expenses	144,791

The above are the amounts paid in the past five years, with the result that the insurance in force is now only about one-half what it was five years ago. The amount paid in salaries and other compensation of officers and office employees in 1904, with nearly 50 per cent. less insurance in force, was $23,794 greater than the amount paid in 1899, and the total expense of management was $257,965 greater in 1904 than in 1899. JURIS CONSULTUS.

Miscellany.

Equitable Life Doings This Week

The daily papers kept up the rub-a-dub through the week. There were reports, rumors and statements from all sides galore —mostly inventions.

A favorite yarn was that negotiations were on foot to patch up a peace between the factions, the amiable Senator Depew being the instigator and William Nelson Cromwell the intermediary. Later all reports were denied, and it was stated that Mr. Hyde, by advice of his counsel, Messrs. Untermyer, Root and Gulliver, would keep up the fight until President Alexander and Vice President Tarbell were ousted.

Suit begun by Mr. Hyde to depose Mr. Alexander as trustee of the Hyde stock was accompanied by complaint in which it was alleged that the latter, besides being guilty of a flagrant violation of his trust, caused to be circulated stories about Mr. Hyde of "improper and scandalous" conduct, including one that he caused Madame Rejane to dance the can-can on a table at the famous dinner, all of which plaintiff absolutely denied.

During the week Mr. Frank H. Platt, counsel for the Crimmins policyholders' committee, charged that Mr. Crimmins had deserted his original position of impartiality, and gone over to the Hyde interest. It was also stated that the committee would dissolve. Denied by Mr. Crimmins and members of the committee.

The Frick investigating committee examined orally Mr. Hyde and other officers during the week. Mr. Crimmins commended the Frick committee and said that it is composed of men of unimpeachable character and could be implicitly trusted. It was announced that the committee expects to make its report to the board of directors of the company May 31.

The examination of affairs by the New York Insurance Department was resumed, and Vice Presidents Hyde and McIntyre testified.

The deposed superintendent of agencies, H. H. Knowles, issued another attack on Vice President Tarbell.

The Cortland, N. Y., *Standard* published an article defending Mr. Tarbell from the charge that he was engaged in incorrect business practices while a resident there many years ago. The paper said that his habits were good, and his reputation in the community beyond reproach.

The statement was again made that Postmaster General Cortelyou had been offered and had accepted the future presidency of the company, and was again denied.

The lawyers with suits were busy in the courts in various ways.

A policyholders' protective committee was organized at Charleston, S. C. It is headed by Governor Hayward.

Actuary Van Cise, of the Equitable Life, published the following statement concerning erroneous ideas about surplus in the *Equitable News:*

There are two erroneous ideas afloat in regard to the Equitable's surplus: First, that it is entirely too large, and second, that nearly all of it ought to be divided among the policyholders immediately. It is true that the Equitable has a large surplus, the largest of any company in the world, but it is also true that it has very large liabilities—over $333,000,000 at the close of the year 1904. At the close of the year 1885 the percentage of our surplus to liabilities was larger than at the close of last year, and during the eighteen intervening years there were only two annual statements of the society which showed a smaller percentage of surplus to liabilities than at the close of last year. It will be seen, therefore, that there is nothing abnormal about the society's surplus, but that it has simply grown with the growth of the liabilities and the increase in amount of assurance at risk.

The second error is the mistaken idea that all, or nearly all, of the surplus ought to be divided at once among our policyholders, while the fact is that this cannot be done, even were it advisable to do so for any reason, without a violation of the terms of our contracts with our policyholders. About seven-eighths of the surplus has been derived from payments made on contracts containing provisions that no surplus shall be paid on such contracts until the end of periods of fifteen or twenty years, and in order to carry out these contracts we must accumulate most of our surplus undivided until the end of the deferred dividend periods. Every dollar of surplus to which policyholders are entitled is being paid to them as they become entitled to it, and not one dollar which ought to be paid is being withheld.

As a proof of this fact, we need only state that for many years the Equitable has paid a larger aggregate sum in dividends than any other company, over $60,000,000 having been paid in the year 1904, and nearly $7,000,000 being in process of payment during the present year, 1905.

Our large surplus is, and will continue to be, a tower of strength to the society; and all concerned in its welfare and prosperity may be assured that never will the actuary of the

GAIN AND LOSS EXHIBIT OF REGULAR LIFE INSURANCE COMPANIES FOR 1904.

(As Computed by the Minnesota Insurance Department.)

TABLE I.

COMPANIES.	MORTALITY (NET)			SURRENDER VALUES.			ANNUITIES.			Dividends Paid or Credited to Policyholders.
	Expected.	Actual.	Per Cent. Actual to Expected.	Full Reserve Surrendered and Lapsed Policies.	Actual Values Paid.	Per Cent. Actual to Reserve.	Expected Net Payment.	Actual Payment.	Per Cent. Actual to Expected.	
Ætna Life	$2,529,622.00	$1,699,389.09	.67	$1,045,414.00	$838,962.77	.80	.....	.....	....	$694,985.66
Bankers Reserve Life	97,459.41	24,429.00	.25	23,962.70	5,006.05	.22	.....	.....	....	19,834.02
Canada Life	1,054,930.43	766,415.12	.73	176,130.00	91,794.95	.52	$47,207.00	$54,513.91	1.15	67,573.00
Columbian National	136,813.50	78,405.00	.57	43,342.14	32.32	....	.....	.....	....	21.50
Connecticut Mutual	2,405,025.50	2,152,202.86	.80	816,689.71	737,185.00	.90	8,432.00	11,909.92	1.41	1,161,647.13
Des Moines Life	289,998.92	148,656.34	.51	107,849.00	76,613.09	.71	.....	.....	....	208.07
Equitable, Des Moines	174,180.00	118,952.28	.68	73,158.34	54,402.94	.74	.....	.....	....	100,711.27
Equitable, New York	15,375,796.00	12,232,822.35	.80	9,529,005.80	8,353,730.42	.88	695,914.00	633,956.05	.91	6,086,115.69
Fidelity Mutual	1,509,514.00	1,061,218.37	.70	166,244.08	140,388.01	.84	779.00	1,028.46	1.32	48,349.44
Germania Life	932,866.28	674,850.13	.72	568,111.40	382,644.68	.67	24,767.59	31,181.74	1.26	499,633.19
Hartford Life	1,737,710.85	1,713,436.61	.99	77,651.77	16,004.50	.21	.....	.....	....	60,600.92
Home Life	755,752.00	588,553.25	.78	334,255.00	194,143.52	.58	16,964.00	32,763.32	1.93	248,632.06
Inter-State Life	86,875.00	36,811.93	.42	200,396.00	197,061.30	.98	.....	.....	....	.....
John Hancock	4,022,699.00	3,605,810.83	.90	562,170.56	471,237.54	.84	.....	.....	....	804,046.79
Manhattan	865,110.00	650,067.75	.75	463,762.00	345,396.13	.74	6,026.00	10,149.97	1.68	126,458.02
Massachusetts Mutual	1,869,687.42	1,313,108.92	.70	717,380.00	593,361.44	.83	.....	.....	....	955,570.09
Metropolitan	11,181,120.00	12,707,642.05	1.14	4,107,844.00	1,075,918.87	.26	33,981.00	67,873.25	2.00	903,891.41
Michigan Mutual	455,032.00	359,497.90	.79	199,728.00	182,375.93	.91	.....	.....	....	30,740.21
Minnesota Mutual	298,082.00	234,462.00	.79	73,091.00	58,564.46	.80	.....	.....	....	24,635.07
Mutual Benefit	4,991,454.00	3,992,649.00	.80	1,825,769.00	1,607,993.44	.88	63,363.00	95,538.95	1.51	1,931,291.48
Mutual Life, Chicago	33,740.00	8,854.00	.26	7,223.00	2,039.70	.28	.....	.....	....	16.50
Mutual Life, New York	16,593,596.16	13,582,309.45	.82	5,936,772.00	3,748,724.56	.63	1,624,526.00	1,697,733.78	1.05	2,717,549.31
National, Montpelier	1,362,228.70	691,986.07	.51	674,995.63	532,222.17	.79	84,906.19	117,211.81	1.38	180,967.62
National Life	350,626.48	274,716.39	.78	188,569.65	151,296.22	.80	1,385.51	1,458.43	1.05	142,056.04
New England Mutual	1,728,893.06	1,157,500.09	.67	801,341.96	699,728.51	.87	.....	.....	....	629,899.00
New York Life	18,546,540.00	14,946,537.00	.81	11,777,781.00	9,885,490.00	.84	1,110,865.00	1,229,066.00	1.11	6,137,178.00
Northwestern Mutual	6,934,805.20	4,576,971.49	.66	1,026,384.00	3,591,090.17	.89	32,140.00	46,641.04	1.45	5,345,924.78
Pacific Mutual	524,258.00	285,153.53	.54	115,642.03	102,903.26	.89	5,672.08	6,297.63	1.11	161,428.98
Penn Mutual	3,519,608.00	2,315,598.36	.66	1,197,119.00	980,462.26	.82	117,286.86	178,880.86	1.53	1,458,063.83
Phœnix Mutual	886,177.00	647,110.00	.73	393,467.00	288,856.00	.73	5,150.00	5,117.00	.99	279,471.00
Provident Life and Trust	1,628,112.44	793,648.00	.49	629,216.13	532,331.91	.85	41,787.10	44,110.35	1.06	873,351.28
Provident Savings	1,394,501.00	1,362,370.38	.98	230,342.00	259,930.79	1.00	5,590.00	15,782.40	2.82	173,608.45
Prudential	8,656,096.00	9,966,182.02	1.15	3,728,846.00	1,254,486.08	.34	46,735.85	41,082.61	.88	928,027.68
Reliance Life	26,966.01	6,974.00	.26	8,147.00	.....	....	.....	.....	....	334.41
Security Mutual	519,711.00	440,738.38	.85	67,806.00	19,746.10	.29	218.00	218.00	1.00	9,022.96
Security Trust and Life	275,533.00	335,808.65	1.22	165,840.00	65,789.25	.40	224.81	331.81	1.48	74.12
State Mutual	1,076,678.04	647,975.72	.60	547,406.27	473,803.63	.87	.....	.....	....	552,736.25
State Life	448,186.85	297,288.69	.66	105,144.00	97,310.17	.93	.....	.....	....	66,519.10
Travelers	1,275,000.00	1,073,612.00	.84	768,710.00	369,269.29	.48	11,871.00	13,588.90	1.14	3,195.12
Union Central	1,958,722.00	1,249,349.00	.64	588,232.00	473,120.19	.80	12,872.00	15,505.01	1.20	555,068.84
Union Mutual	628,424.00	440,237.98	.70	311,145.50	230,778.63	.74	828.45	1,847.08	2.23	107,649.81
United States	450,000.09	453,913.28	1.01	386,963.00	260,533.57	.67	17,915.00	18,628.50	1.04	141,749.32
Washington	699,111.00	600,300.79	.86	522,125.00	323,409.73	.62	37,850.07	38,866.69	1.03	88,921.00
Totals	$120,287,242.89	$100,314,516.05	.83	$54,320,274.67	$39,766,259.55	.73	$4,055,357.51	$4,411,283.47	1.09	$34,317,727.82

society yield to any solicitation, or temptation, to distribute the surplus any faster than it should be divided in accordance with the contracts made with our policyholders.

Examination of the United States Life Insurance Company by the New York State Insurance Department—The Superintendent's Report Thereon.

In the report of Chief Examiner Vanderpoel to Superintendent Hendricks, of the results of his examination of the condition of the United States Life insurance company of New York, as of December 31, 1904, the admitted assets of the company were placed at $8,825,294.49, and the total liabilities, including capital stock, at $8,895,551.64, showing a technical impairment of capital stock of $70,257.15. This was caused by a difference between the company and the examiner as to the value of the bonds of a Virginia corporation, held as a part of the assets, the company's valuation being $85,000 and that of the department $10,000. As the company sold these securities at its own estimated value and deposited the cash received therefor in the assets, this substitution removed the impairment and enabled the department to give the company a clean bill of health. The following are extracts from the comments of the chief examiner:

In the company's list of bonds and stocks owned there appears the following security: Virginia Passenger and Power Company first consolidated mortgage fifty year 5 per cent. gold bonds, due in 1952. The par value of these bonds is $100,000. They are extended as an asset by the company at 85 per cent. of their par value. Upon inquiry at the best sources of information available, I am unable to confirm the appropriateness of the figure at which this security is carried. My inquiries have been addressed to a representative bond house in this city, and I have further made inquiries in the city of Richmond, Va. This security is evidently not actively dealt in at present, if dealt at all. The interest on the bonds is in default. The property is in the hands of a receiver. I am unable to get any quotation upon this security. A merely nominal figure of not to exceed 25 per cent. of their par value has been given on the bonds, but this figure is so qualified as being in all probability too high, that, in line with proper conservatism, I have credited the company with 10 per cent. of the par value of these securities. Under all the circumstances surrounding the case, the inclusion of these bonds under the head of "Assets Not Admitted" could hardly, I think, be criticised as being an improper treatment of this item of assets.

Upon the strength of the report of your appraisers, just made, the value placed by the company upon its real estate owned in fee December 31, 1904, has been reduced in the sum of $101,750. This real estate consists of thirteen pieces of foreclosed realty, valued by the company at $870,250. The appraisers for the Insurance Department fix the value at $768,500, and I have embodied the latter figure in this report.

In the matter of the company's loans on the security of bond and mortgage the appraisers have recommended that twenty-two of the loans be reduced. The total amount of the reduction recommended in these twenty-two instances is $77,262. The mortgages are 137 in number, on property that is practically all located within Greater New York.

The chief examiner makes a supplementary report, showing that on April 29 he visited the office of the United States Life and found that it had sold the Virginia Passenger and Power Com-

GAIN AND LOSS EXHIBIT OF REGULAR LIFE INSURANCE COMPANIES FOR 1904.

(As computed by the Minnesota Insurance Department.)

TABLE II.

COMPANIES.	INSURANCE EXPENSES.			Total Interest Receipts.	Investment Expenses.	Interest Required to Be Earned to Maintain Reserve.	PROFIT AND LOSS ITEMS.		MARKET VALUES.		Net Investment Earnings, Including Interest, Profit and Loss and Changes in Market Values, Less Investment Expenses.
	Loading Expense Portion of Premiums.	Actual Expenses Paid.	Per Cent. Actual to Loading.				Gain.	Loss.	Increase.	Decrease.	
Ætna Life	$1,817,274.16	$2,000,738.86	1.10	$2,950,293.17	$116,845.45	$2,355,854.00	$4,937.22	.....	$400,492.63	.....	$3,238,877.60
Bankers Reserve Life	102,459.82	147,712.12	1.44	9,391.25	587.24	13,325.84	42.00	.....	.....	.....	8,846.01
Canada Life	524,785.35	832,274.19	1.59	1,230,832.02	96,799.18	875,745.00	64,403.47	.....	281,705.00	.....	1,480,141.31
Columbian National	229,989.75	381,575.10	1.66	23,873.77	.....	14,674.00	.....	.....	1,950.14	.....	25,823.91
Connecticut Mutual	1,029,697.90	844,319.41	.82	2,955,538.79	543,790.35	2,108,930.00	.....	$34,648.51	576,069.18	.....	2,953,169.11
Des Moines Life	284,763.78	279,028.84	.98	52,100.86	2,677.33	40,517.84	.....	.....	.....	.....	49,423.53
Equitable, Des Moines	238,364.88	230,244.34	.97	199,937.04	4,152.45	135,325.98	6,635.15	.....	.....	$164.53	202,255.21
Equitable, New York	15,346,021.84	13,880,583.44	.90	16,080,008.34	1,066,216.19	11,839,009.71	.....	.....	4,437,934.10	.....	19,451,726.25
Fidelity Mutual	1,235,222.15	1,235,656.88	1.00	316,554.05	51,864.06	234,203.22	11,357.47	.....	49,934.06	.....	325,981.52
Germania Life	1,027,223.63	1,174,201.80	1.14	1,533,173.70	173,097.67	1,113,475.55	.....	15,207.86	156.40	.....	1,345,024.57
Hartford Life	462,352.02	497,547.21	1.08	112,218.16	6,273.34	26,793.70	.....	3,014.80	12,620.28	.....	115,550.30
Home Life	681,090.89	818,175.93	1.20	731,986.08	87,542.65	562,220.00	944.30	.....	223,960.05	.....	869,347.78
Inter-State Life	232,532.69	216,397.40	.93	33,179.74	1,500.00	24,895.21	.....	.....	.....	.....	31,679.74
John Hancock	5,699,128.14	5,219,945.57	.92	1,325,395.69	78,894.40	953,861.16	28,176.72	.....	.....	.....	1,425,873.91
Manhattan	637,301.89	873,000.74	1.37	921,239.19	165,287.66	644,440.40	75,829.73	.....	174,518.85	.....	1,006,300.11
Massachusetts Mutual	1,667,740.44	1,267,706.50	.76	1,542,221.83	89,807.37	1,241,471.42	.....	24,936.81	341,457.63	.....	1,768,935.28
Metropolitan	19,722,715.55	18,688,270.59	.95	5,079,168.90	594,307.29	3,991,850.97	.....	376,025.57	2,611,844.98	.....	6,720,681.02
Michigan Mutual	368,060.44	468,874.60	1.27	424,387.58	41,896.63	330,184.65	.....	8,982.78	9,476.08	.....	382,984.25
Minnesota Mutual	226,853.59	317,453.42	1.40	74,426.79	.....	59,197.75	.....	128.70	.....	2,459.85	71,838.24
Mutual Benefit	2,716,568.11	2,328,408.39	.86	4,269,550.78	413,438.27	3,168,163.31	.....	62,968.82	334,062.37	.....	4,127,206.06
Mutual Life, Chicago	70,205.84	140,475.47	2.00	8,771.93	.....	2,458.08	.....	.....	.....	.....	8,771.93
Mutual Life, N. Y	13,973,720.18	15,278,727.48	1.09	17,861,699.80	1,421,029.64	13,290,730.00	.....	346,382.39	9,169,958.24	.....	25,264,246.01
National	1,071,816.26	1,311,847.49	1.22	1,428,739.49	124,543.86	1,046,510.35	.....	120,700.15	32,185.80	.....	1,215,681.28
National Life	516,815.34	755,108.28	1.46	212,936.07	34,841.67	141,649.40	58,737.16	.....	32,048.66	.....	268,850.22
New England Mutual	1,208,201.97	1,137,457.70	.94	1,631,065.00	102,755.92	1,330,308.32	8,425.81	.....	211,242.00	.....	1,687,978.49
New York Life	18,279,492.00	18,237,764.00	1.00	15,390,546.00	1,407,092.00	11,741,300.00	499,688.00	.....	.....	.....	14,483,142.00
Northwestern Mutual	6,078,362.74	4,992,931.75	.82	8,625,284.54	413,474.16	5,870,259.82	108,370.58	.....	1,693,691.01	.....	10,014,141.97
Pacific Mutual	733,785.93	828,057.14	1.13	321,713.49	30,616.22	232,739.56	1,008.75	.....	12,602.37	.....	304,708.39
Penn Mutual	3,189,789.77	2,847,363.36	.89	3,096,158.95	398,879.24	2,376,701.00	.....	27,333.33	438,139.17	.....	3,108,085.55
Phœnix Mutual	598,951.00	769,981.00	1.29	870,512.00	41,392.00	657,587.00	.....	5,084.00	41,211.00	.....	865,247.00
Prov. Life and Trust	1,201,970.74	1,214,751.73	1.01	2,376,826.22	19,258.57	1,822,307.80	273,949.05	.....	792,184.28	.....	3,423,700.98
Provident Savings	1,171,803.67	1,435,097.01	1.22	452,818.00	204,983.30	252,970.20	362,927.32	.....	.....	9,037.57	601,724.45
Prudential	17,443,623.05	15,359,806.84	.88	3,577,265.78	425,285.46	2,492,224.75	.....	3,007.03	344,586.24	.....	3,493,559.53
Reliance Life	46,264.31	275,039.55	5.94	65,003.12	204.58	4,905.90	.....	.....	.....	.....	64,798.54
Security Mutual	503,098.92	735,344.34	1.46	93,561.41	3,728.21	55,909.00	.....	3,627.75	47.00	.....	86,252.45
Sec. Trust and Life	277,223.99	340,639.73	1.23	243,299.26	257,108.58	55,981.28	1,625.03	.....	3,135.00	.....	*9,049.29
State Mutual	941,003.81	827,310.53	.88	1,077,803.09	85,672.24	850,008.93	.....	29,576.99	189,720.00	.....	1,152,273.86
State Life	784,368.80	888,807.92	1.13	195,789.53	34,921.98	74,956.00	.....	.....	113,501.56	.....	274,369.11
Travelers	419,416.84	950,958.00	2.27	1,631,806.88	146,391.69	1,255,581.00	32,156.96	.....	128,508.96	.....	1,646,081.11
Union Central	1,350,603.98	1,532,148.20	1.13	2,559,109.77	244,082.33	1,346,258.00	.....	21,620.97	.....	5,583.99	2,287,822.48
Union Mutual	519,036.42	688,738.44	1.33	437,388.58	42,955.67	387,144.00	.....	64,096.51	137,459.30	.....	467,795.50
United States	382,275.25	451,241.19	1.18	450,965.11	46,293.82	382,374.16	15,378.89	.....	108,503.18	.....	528,553.36
Washington	668,975.02	960,425.17	1.44	865,682.05	200,197.91	661,708.00	.....	22,124.63	.....	236,624.96	406,734.55
Totals	$125,680,952.85	$123,661,627.65	.98	$103,340,224.20	$9,280,686.58	$76,066,712.26	$1,554,594.61	$1,169,467.60	$23,056,341.45	$253,870.90	$117,247,135.18

* Loss on Investments.

pany's bonds and stock for $85,000, and that the proceeds had been deposited in the Chemical National Bank. An addendum to the report by Superintendent Hendricks is as follows:

ALBANY, May 5, 1905.

The foregoing report dated March 14, 1905, shows an impairment of the capital stock amounting to $70,257.15. In such report particular reference is made to $100,000 of Virginia Passenger and Power Company first consolidated mortgage fifty year 5 per cent. gold bonds carried by the company in its assets at $85,000 and allowed by the department at $10,000. A supplemental examination bearing date May 1 and made a part of the report of March 14 shows that said bonds have been disposed of for $85,000—the valuation placed upon them by the company. Thus the impairment of the capital stock has been made good. This act of the company's management in making good the impaired capital, taken into consideration with the fact that it has unreservedly complied with all suggestions and requirements of the department, indicates a conservative management, and one which should have departmental approval.

The report shows a reduction in the valuation of real estate owned of $101,750. It is but fair to the corporation to state that this reduced valuation brings its real estate holdings down to a most conservative basis. From the foregoing report it appears that the company now possesses a surplus to policyholders of $444,742.85.

Since the examination the management has made such changes and economies both in its methods of obtaining business and in its home office that the department is satisfied that the company is now in an absolutely sound business condition; that it will be conducted along safe, economical and conservative lines, and believes that it merits the continued confidence and support of the public.

FRANCIS HENDRICKS, Superintendent of Insurance.

Saved by the Scissors.

NATURAL "KICKERS."

It is a queer trait in the human mind which puts so many in the objector's attitude to all conceivable propositions. There is, in fact, a certain class of folks who will not agree to anything whatever, unless it be some scheme of their own devising. They are "agin the government" or anything, when it is first presented for their consideration. From inborn habit they give the negative presumption the right of way—not for any visible reason, but because they are natural kickers. To show how this adverse attitude dominates the average man, a practical student of human nature stood on Pennsylvania avenue, Washington, not long ago, and offered to all the passers-by good silver dollars for 10 cents each. Only half a dozen, however, among many hundreds bought them, and they each made 90 cents.

It is well, to be sure, when you are in front of a proposition that seems inherently absurd to be a little cautious. But those who won, in this adventure, knew an honest government dollar, and did not hesitate to risk a trifling sum to get one. We do not blame those who were not sure and who passed on, for they lived up to their best knowledge. What we say is, Be cautious—investigate—make the argument thoroughly understood, and then do what your judgment prompts. But don't dismiss a good thing on a chron-

(*Continued on Page* 497.)

Fire Insurance Business in Oklahoma Territory in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$1,674,935	$24,502	$2,758
American Central, St. Louis	1,187,840	15,875	8,811
American Fire, Philadelphia	366,025	4,648	3,208
Anchor Fire, Cincinnati	343,100	8,840	4,805
Atlanta Birmingham	126,540	2,295	783
Austin Fire, Austin	164,295	2,803	1,435
British America, Toronto	310,996	5,348	3,334
Citizens, St. Louis	390,453	5,399	1,361
Commercial Union, London	825,513	16,596	3,083
Connecticut Fire, Hartford	2,956,600	51,290	24,359
Continental, New York	7,500,000	65,883	14,613
Farmers and Merchants, Lincoln	658,480	9,545	1,929
Fire Association, Philadelphia	1,101,018	25,128	16,787
Fireman's Fund, San Francisco	820,812	10,345	7,094
German Alliance, New York	852,565	13,513	8,511
German American, New York	2,558,116	39,037	20,670
German, Freeport	1,089,655	14,595	3,933
Germania Fire, New York	751,780	11,219	3,556
Hamburg-Bremen, Hamburg	337,919	6,041	4,146
Hanover Fire, New York	1,112,776	16,324	10,800
Hartford Fire, Hartford	1,841,527	21,903	7,304
Home, New York	8,155,293	66,810	30,558
Indianapolis Fire, Indianapolis	14,675	514	1,129
Insurance Co. of North America	1,260,992	22,727	7,483
Liv. and Lon. and Globe, Liverpool	2,234,893	26,611	13,469
Liv. and Lon. and Globe, New York	16,900	154	36
London and Lancashire, Liverpool	719,257	13,635	7,614
Mercantile Fire and Marine, Boston	144,687	2,701	1,997
Milwaukee Mechanics, Milwaukee	619,215	11,313	3,150
National Fire, Hartford	911,432	16,770	5,079
National Union, Pittsburgh	150,000	3,372	333
Niagara Fire, New York	913,692	11,446	4,893
North British & Mercantile, London	660,981	17,812	9,023
Northern, London	316,305	5,381	4,165
North River Fire, New York	186,843	3,213	629
Northwestern National, Milwaukee	391,870	4,099	1,435
New York Fire, New York	19,500	230	.....
Orient, Hartford	574,964	7,745	6,321
Palatine, London	294,210	5,978	332
Pelican, New York	3,250	80	.....
Pennsylvania Fire, Philadelphia	961,000	16,531	5,723
Phenix, Brooklyn	2,470,474	38,321	23,016
Phœnix, London	314,935	6,104	2,721
Phœnix, Hartford	1,052,382	13,944	3,918
Providence Washington, Providence	352,193	3,834	1,610
Prussia National, Stettin	390,800	4,439	214
Queen, New York	979,099	13,970	5,879
Rochester German, Rochester	192,054	3,230	.....
Royal, Liverpool	941,287	8,836	6,633
St. Paul Fire and Marine, St. Paul	5,464,831	95,265	33,269
Scottish Union and Nat., Edinburgh	1,500,000	24,319	14,332
Shawnee Fire, Topeka	1,864,657	45,132	29,375
Springfield F. and M., Springfield	1,943,952	34,110	11,119
Sun, London	325,820	5,812	3,089
Traders, Chicago	505,644	6,328	2,293
Westchester Fire, New York	562,626	4,609	1,614
Western, Toronto	674,681	7,126	2,985
Williamsburgh City Fire, New York	250,875	3,826	1,470
Totals, 1904	$65,309,214	$927,446	$449,886
Comparison With Business of Previous Years.			
1903	$58,497,330	$849,134	$402,976
1902	45,248,703	715,978	280,247
1901	35,705,205	566,616	182,941
1900	21,855,864	351,883	94,244
1899	15,568,981	257,545	49,934
1898	9,098,968	160,264	18,559
1897	5,674,198	107,933	29,732
1896	3,507,494	76,672	40,013
1895	4,264,445	107,508	46,599
1894	4,205,102	108,245	28,772
1893	3,630,956	92,624	23,230
1892	1,782,906	50,682	14,228
1891	715,768	24,081	3,126

The percentage of losses paid to premiums received in the fourteen years embraced in the above table is 37.9. The percentage in 1904 was 48.5.

Fire Insurance Business in Tennessee in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$801,205	$13,439	$7,726
Aetna, Hartford	5,320,853	101,678	66,544
Agricultural, Watertown	1,607,800	25,845	20,627
American Central, St. Louis	1,515,921	31,403	18,146
American Fire, Philadelphia	$1,547,765	$22,614	$10,038
Armenia, Pittsburgh	289,625	5,989	.....
Assurance Company, New York	1,000,654	14,641	12,078
Atlanta-Birmingham, Atlanta	1,559,049	33,534	15,563
Atlas, London	620,860	10,014	68
Bluff City, Memphis	843,513	12,182	5,347
British America, Toronto	669,015	11,028	12,763
British American, New York	473,585	8,157	5,492
Caledonian, Edinburgh	311,500	4,894	3,082
Citizens, St. Louis	1,909,730	38,084	26,993
Commercial Union, London	2,480,030	50,481	39,609
Commercial Union, New York	428,663	8,571	5,652
Concordia, Milwaukee	528,641	10,054	2,229
Connecticut Fire, Hartford	4,209,000	90,129	60,824
Continental, New York	20,173,289	236,040	133,786
Factors Fire, Memphis	570,925	8,883	6,319
Federal, Jersey City	958,622	11,568	7,037
Fire Association, Philadelphia	2,555,524	48,551	23,598
Fireman's Fund, San Francisco	1,641,817	30,819	25,960
Georgia Home, Atlanta	1,697,561	28,758	25,872
German, Freeport	3,219,223	49,563	27,440
German Alliance, New York	442,005	7,969	14,354
German American, New York	3,908,706	65,926	57,017
Germania Fire, New York	2,083,427	36,469	35,296
Glens Falls, Glens Falls	1,683,784	28,479	11,393
Globe and Rutgers Fire, New York	1,615,388	28,243	14,373
Hamburg-Bremen, Hamburg	1,795,774	33,720	22,295
Hanover Fire, New York	3,117,956	67,540	47,511
Hartford Fire, Hartford	14,199,675	277,771	219,933
Hernando, Memphis	754,850	10,755	5,357
Home, New York	25,211,719	238,061	181,347
Home F. and M., San Francisco	972,007	17,711	13,154
Indemnity Fire, New York	236,545	4,204	4,575
Indianapolis Fire, Indianapolis	94,812	1,959	2,285
Ins. Co. of North America, Phila	4,654,855	85,817	36,628
Ins. Co. of Tennessee, Nashville	1,791,958	35,745	20,035
Law Union and Crown, London	273,917	4,998	1,907
Liv. and Lon. and Globe, Liverpool	2,771,932	51,419	56,657
London and Lancashire, Liverpool	2,430,390	29,238	26,023
London Assurance Corp., London	867,001	16,305	15,028
Mechanics and Traders, New Orleans	1,906,458	21,193	10,050
Metropolitan, Chicago	97,158	1,938	7,349
Michigan Fire and Marine, Detroit	1,301,515	25,453	8,921
Milwaukee Mechanics, Milwaukee	1,607,993	28,961	28,280
National Fire, Hartford	2,059,153	30,661	22,756
National, Dublin	5,000	82	.....
National Fire, Pittsburgh	134,434	2,324	2,616
National Union, Pittsburgh	1,906,798	25,901	19,882
New Brunswick, New Brunswick	98,215	1,804	440
New York Fire, New York	912,545	12,742	7,162
Niagara Fire, New York	1,555,643	27,661	14,003
Northern, London	1,812,108	36,388	27,739
Northern, New York	874,220	16,609	6,696
N. British and Mercantile, London	2,394,084	34,770	26,245
Northwestern National, Milwaukee	1,000,985	13,935	5,531
Norwich Union, Norwich	1,199,631	22,735	29,705
Orient, Hartford	3,121,772	36,781	25,935
Palatine, London	1,065,595	17,078	12,136
Pelican, New York	290,142	5,187	5,541
Pennsylvania Fire, Philadelphia	2,611,000	48,766	34,806
Phenix, Brooklyn	3,592,327	66,237	42,718
Phœnix, Connecticut	3,156,179	47,059	32,235
Phœnix, London	1,355,145	27,855	32,461
Phœnix Fire and Marine, Memphis	1,299,107	13,681	4,640
Providence Washington, Providence	1,328,690	19,235	13,343
Queen, New York	2,344,176	49,020	51,323
Royal, Liverpool	3,795,343	67,958	62,734
Royal Exchange, London	3,300,298	42,819	20,691
St. Paul Fire and Marine, St. Paul	1,469,639	24,945	21,672
Scottish U. and N., Edinburgh	2,156,055	41,159	34,792
Springfield F. and M., Springfield	2,744,965	42,409	38,064
State Fire, Liverpool	94,443	1,912	1,179
Sun, London	3,784,133	53,999	34,038
Traders, Chicago	1,602,537	29,631	20,413
Union, London	859,291	13,863	8,154
United States Fire, New York	2,367,612	40,735	15,320
Virginia Fire and Marine, Richmond	4,304,522	86,433	58,516
Toledo Fire and Marine, Ohio	377,970	8,654	11,962
Western, Toronto	796,143	13,125	9,868
Westchester Fire, New York	3,759,697	70,304	40,567
Williamsburgh City Fire, New York	1,570,030	27,890	16,936
Totals	$197,833,822	$3,149,140	$2,215,380
Comparison with Business of Previous Years.			
1903	$174,251,787	$2,825,289	$1,773,007
1902	161,256,370	2,735,872	1,497,776
1901	166,522,388	2,488,960	1,643,361
1900	164,266,036	2,441,764	1,214,732
1899	156,448,397	2,346,475	2,001,652
1898	132,068,762	2,024,408	1,703,921
1897	133,509,100	2,016,455	1,910,911
1896	124,113,750	1,964,975	985,018
1895	118,133,723	2,047,030	941,932
1894	117,742,534	1,709,093	1,124,403
1893	122,186,872	1,879,793	1,245,032
1892	129,910,310	1,970,017	1,943,659
1891	125,253,701	1,855,847	1,360,249
1880 to 1890, inclusive	929,253,701	13,122,750	8,115,061

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 66.6. The percentage in 1904 was 70.3.

Fire Insurance Business in North Dakota in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$1,572,849	$32,300	$9,243
American Fire, Philadelphia	5,000	24	.....
British America, Toronto	534,663	10,653	4,134
British American, New York	19,570	419	81
Citizens, St. Louis	315,439	6,504	1,895
Commercial Union, London	1,852,465	40,460	17,159
Connecticut Fire, Hartford	1,343,500	27,016	8,227
Equitable F. and M., Providence	540,012	9,658	4,277
Fire Association, Philadelphia	1,207,260	27,774	13,580
Fireman's Fund, San Francisco	1,313,801	28,407	14,839
German Alliance, New York	437,077	8,960	2,681
German American, New York	1,537,975	37,261	14,368
Germania Fire, New York	260,965	5,106	2,595
Hanover Fire, New York	638,080	16,849	13,806
Hartford Fire, Hartford	4,397,958	103,262	44,009
Home, New York	3,743,856	69,063	28,136
Indianapolis Fire, Indianapolis	31,461	654	1,226
Insurance Co. of North America	1,414,954	30,519	16,673
Liv. and Lon. and Globe, Liverpool	2,102,827	47,773	32,226
Liv. and Lon. and Globe, New York	133,589	2,383	2,209
Moscow Fire, Moscow	137,579	2,513	556
National Fire, Hartford	733,921	14,385	5,522
New York Fire, New York	13,200	156	.....
Niagara Fire, New York	459,876	9,004	3,195
N. British and Mercantile, Liverpool	657,947	13,330	10,195
Northern, London	462,000	8,681	3,390
Norwich Union, Norwich	677,254	15,083	11,181
Palatine, London	660,767	16,416	4,894
Pelican, New York	21,050	310	6
Pennsylvania Fire, Philadelphia	913,000	22,399	23,412
Phenix, Brooklyn	1,550,378	37,207	16,268
Phœnix, Hartford	1,032,949	18,098	6,958
Phœnix, London	356,315	7,794	6,693
Providence Washington, Providence	470,359	7,410	1,899
Queen, New York	1,146 526	22,791	6,483
Royal, Liverpool	714,068	13,305	5,107
Skandia, Stockholm	94,608	1,501	926
Springfield F. and M., Springfield	2,051,193	45,785	20,171
St. Paul Fire and Marine, St. Paul	8,456,224	132,962	49,097
Sun, London	228,250	4,446	919
Traders, Chicago	430,275	8,173	6,064
Western, Toronto	515,693	10,522	5,081
Totals, 1904	$45,186,733	$917,316	$419,381
Comparison with Business of Previous Years.			
1903	$48,561,939	$1,122,166	$604,948
1902	44,280,012	1,100,492	672,448
1901	42,901,293	701,096	519,103
1900	40,200,576	736,368	495,663
1899	35,846,363	759,493	571,683
1898	26,569,911	543,829	491,286
1897	24,840,518	491,331	333,270
1896	20,025,730	449,460	138,945
1895	20,373,943	439,311	219,920
1894	17,564,712	390,578	265,560
1893	22,622,666	442,330	1,409,917
1892	23,139,886	439,799	191,762
1891	19,585,850	370,350	140,618
1890	18,647,165	341,053	163,112

The percentage of losses paid to premiums received in the fifteen years embraced in the above table is 71.8. The percentage for 1904 was 45.7.

Fire Insurance Business in North Carolina in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$4,624,966	$78,443	$40,299
Agricultural, Watertown	337,500	7,017	1,111
American Central, St. Louis	690,196	13,137	3,557
American, Boston	144,474	2,007	10
American Fire, Philadelphia	1,095,835	19,062	15,123
Assurance Co. of America, N. Y	303,682	6,378	4,356
Atlanta Birmingham, Atlanta	748,802	11,894	1,171
Atlanta Home, Atlanta	396,863	7,369	2,450
Atlas, London	226,980	4,738	.....
British America, Toronto	737,852	16,355	8,792
British American, New York	234,899	5,474	2,955
Cabarrus Mutual, Concord, N. C	17,530	88	128
Caledonian, Edinburgh	448,934	8,955	1,613
Camden Fire, Camden	364,860	6,336	2,844
Carolina, Wilmington	1,869,162	21,073	9,637
Citizens, St. Louis	870,178	16,751	5,390
Cologne Reinsurance, Cologne	739,249	10,266	3,218
Commercial Union, London	4,666,098	25,138	6,630
Colonial, Washington	116,616	2,124	3,568
Continental, New York	1,908,588	36,204	18,123
Equitable, Charleston, S. C	416,959	10,165	534
Fire Association, Philadelphia	4,263,500	37,193	11,293
Fireman's Fund, San Francisco	3,736,129	31,042	13,947
Georgia Home, Columbus	1,323,509	19,141	14,566
German, Peoria	9,000	198	.....
German Alliance, New York	$559,738	$11,758	$4,569
German American, New York	5,142,299	78,259	40,900
Germania, New York	734,297	10,062	4,182
Glens Falls, Glens Falls	1,473,106	14,485	5,727
Globe and Rutgers, New York	1,979,955	41,849	20,129
Hamburg Bremen, Hamburg	1,725,485	35,244	21,469
Hanover Fire, New York	3,398,258	32,391	13,930
Hartford Fire, Hartford	9,184,375	98,307	40,653
Home, Greensboro	1,523,354	27,350	12,658
Home, New York	13,624,839	117,380	85,530
Indemnity Fire, New York	162,795	3,378	1,573
Indianapolis, Indianapolis	106,005	2,303	271
Insurance Co. of N. America	2,595,256	52,314	22,521
Law Union and Crown, London	329,140	1,781	682
Liv. and Lon. and Globe, Liverpool	5,144,727	78,466	32,521
London and Lancashire, Liverpool	2,851,962	25,025	7,933
London Assurance Corporation	1,039,427	21,676	12,060
Milwaukee Mechanics, Milwaukee	361,261	6,720	3
Moscow Fire, Moscow	462,499	4,757	2
National Fire, Hartford	4,558,850	32,824	15,950
National Union, Philadelphia	14,325	206	.....
New Brunswick, New Brunswick	12,177	207	131
New Hampshire Fire, Manchester	1,326,104	21,691	3,930
New York Fire, New York	191,815	1,318	177
Niagara Fire, New York	1,164,418	21,846	5,736
North British and Mercantile, Lon	3,555,692	17,212	13,331
North Carolina Home, Raleigh	5,635,401	113,844	46,675
Northern, London	2,289,398	17,594	10,705
Norwich Union, Norwich	936,789	16,080	5,713
Orient, Hartford	881,945	12,416	6,720
Palatine, London	480,429	7,855	1,412
Pamlico, Tarboro	601,821	17,451	17,883
Pelican, New York	500	6	.....
Pennsylvania Fire, Philadelphia	1,310,000	23,711	9,173
Petersburg, Petersburg, Va	415,941	8,163	312
Piedmont Fire, Charlotte	4,011,140	72,200	32,735
Phenix, New York	2,613,065	51,528	37,653
Phœnix, Hartford	3,525,711	30,313	9,312
Phœnix, London	570,654	10,323	5,992
Providence Washington, Providence	307,883	1,538	92
Prussian National, Stettin	997,970	12,917	5,450
Queen, New York	2,014,647	33,528	12,486
Rochester German, Rochester	1,270,263	20,048	11,473
Royal, Liverpool	2,818,351	25,315	17,258
Royal Exchange, London	2,464,846	28,863	11,574
St. Paul Fire and Marine, St. Paul	1,020,642	15,565	7,362
Salamandra, St. Petersburg	427,559	7,832	3,908
Scottish Union and Nat., Edinburgh	1,560,629	19,112	6,358
Skandia, Stockholm	94,608	1,501	925
Southern Stock Mutual, Greensboro	3,627,972	58,962	36,553
Southern Underwriters, Greensboro	948,933	18,499	9,192
Springfield F. and M., Springfield	3,213,543	28,011	14,672
Stuyvesant, New York	305,096	4,316	1,984
Sun, London	753,431	15,992	6,926
Sun, New Orleans	460,939	8,437	4,669
Teutonia, New Orleans	576,241	12,024	7,686
Toledo Fire and Marine, Ohio	86,973	2,151	2,000
Traders, Chicago	1,357,778	21,571	10,352
Underwriters of Greensboro	2,206,031	38,359	24,670
Union, London	1,906,824	19,146	9,293
United States Fire, New York	475,530	6,609	7,718
Virginia Fire and Marine, Richmond	4,685,466	101,909	45,642
Virginia State, Richmond	1,339,723	31,850	15,626
Westchester Fire, New York	1,245,548	27,151	12,211
Western, Toronto	3,473,126	26,628	25,234
Williamsburgh City Fire, New York	16,650	232	.....
Totals, 1904	$156,446,410	$2,124,907	$1,033,482
Comparison with Business of Previous Years.			
1903	$136,234,969	$1,946,743	$994,407
1902	112,290,340	1,764,328	659,344
1901	113,332,404	1,471,981	596,622
1900	100,207,545	1,340,175	599,390
1899	79,618,082	1,164,159	490,315
1898	60,719,403	968,414	462,551
1897	52,263,265	849,563	598,014
1896	52,538,430	866,598	429,896
1895	51,325,432	862,189	494,727
1894	48,274,243	783,751	319,106
1893	55,972,622	869,858	823,045
1892	57,907,642	894,026	555,074
1891	49,460,057	767,946	371,306
1880 to 1890	395,730,947	5,617,796	3,650,948

The percentage of losses paid to premiums in the twenty-five years embraced in the above table is 54.1. The percentage in 1904 was 48.6.

(Continued from Page 495.)

ically adverse presumption. There are altogether too many who do this, and who lose untold benefits by not diligently finding out the facts. We are not commending street fakers, though they often give good and conveniently timely bargains—but simply lack of attention to matters of prime importance.

If everyone who has not thought of life insurance should examine it this current month, there would be a happy and profitable illumination to those doing so in all quarters. Thousands of families that now have but a small, thin partition between moderate or full living would be put beyond the reach of disaster.—*The Statement.*

The Employers' Liability Assurance Corporation

(LIMITED),

OF LONDON, ENGLAND.

Total Available Resources, $6,816,020.00

$1,971,756.98 deposited in the United States for the benefit of United States Policyholders.

SAMUEL APPLETON, U. S. Manager and Attorney,
71 Kilby Street, Boston, Mass.

EDMUND DWIGHT, Resident Manager for New York State,
76 William Street, New York.

Forty-fifth Year

HOME LIFE

INSURANCE COMPANY OF NEW YORK,

GEORGE E. IDE, President.

Admitted Assets, . . .		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)	.	1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus, .	1,134,104.25	1,362,315.56
Insurance in Force,	. .	74,892,289.00

ÆTNA LIFE

INSURANCE COMPANY

MORGAN G. BULKELEY, President.

The Leading Insurance Company in New England and the largest in the World writing

Life, Accident, Health and Liability Insurance

Has been in active and successful business over **55** years.

ASSETS OVER **73 MILLIONS**

PAID TO POLICYHOLDERS **146 MILLIONS**

Its Surplus, by Connecticut Standard, is
$8,850,426.65

The Ætna Life Insurance Company is organized on the principle of the strongest Banks and Trust Companies by having a large capital stock ($2,000,000) widely distributed, and being subject to the close supervision of those who are financially interested. This gives assurance of safe and economical management, thus making it in the best sense a policyholders company.

For an Agency address the Company at Hartford, Conn.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1905, $831,256.62

CHAS. LYMAN CASE, Manager.

61 Pine Street, NEW YORK.

THE COLUMBIAN NATIONAL LIFE INSURANCE CO.,

BOSTON, MASS.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

National Life Insurance Co.

OF VERMONT.

Established in 1850. Operating in 42 States.

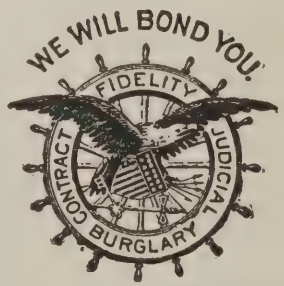
JOSEPH A. DE BOER, President. H. M. CUTLER, Treasurer.
JAMES T. PHELPS, Vice-President. A. B. BISBEE, Medical Director.
JAMES B. ESTEE, 2d Vice-President. C. E. MOULTON, Actuary.
OSMAN D. CLARK, Secretary. F. A. HOWLAND, Counsel.

This Company held January 1, 1905, and gained during the past decade:

ASSETS	$31,398,453.67.	Gain, 184 Per Cent.
SURPLUS	3,458,075.90.	Gain, 142 Per Cent.
INSURANCE	134,761,554.00.	Gain, 107 Per Cent.

Sells the Best and Most Modern in Life, Term, Endowment and Annuity Insurance.

J. F. MAKLEY, General Manager, 149 Broadway, New York City.
A. H. GESLLER, Manager, 201-203 Lawyers Building, Newark, N. J.



THE

United States Fidelity and Guaranty Company,

BALTIMORE, MD.,
16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock Paid in Cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

WHAT is the use of saying
"The best company,"
or "The strongest company,"
or "The largest company"?
They all say these things.

WE SIMPLY SAY . . .

THE PENN MUTUAL LIFE Insurance Company

OF PHILADELPHIA.

Organized 1847.

THAT TELLS THE WHOLE STORY.

Bankers Life Insurance Company
of the City of New York.
Foster M. Voorhees, President.
Issues the most liberal policies,
Offers the best renewal contracts to Agents of
Standing and Responsibility.
For particulars apply
Home Office, 31 Nassau St., N.Y. City.

For a DEFINITE PROMISE to PAY, well defined, no experiment and taking no chances that technical legal definitions of what constitutes an accident will be used to defeat claims, BUY YOUR INSURANCE in and SELL the policies of

"THE CENTRAL," of Pittsburgh, Pa.

Its management will tell you in YES or NO answers what it covers and what it does not cover. AGENTS WANTED.

For particulars address **The Central Accident Ins. Co., Pittsburgh, Pa.**

1851 Phoenix Mutual Life Insurance Company 1904
OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance. The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.

JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

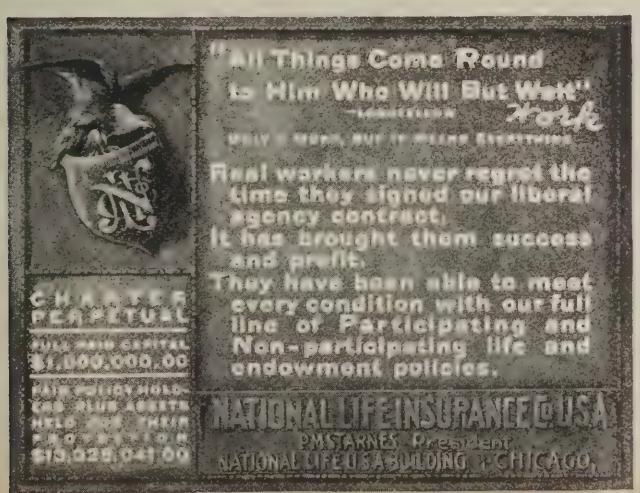
The Massachusetts Mutual
LIFE INSURANCE COMPANY.
INCORPORATED 1851
SPRINGFIELD, MASS.

ASSETS January 1, 1905, . .	$37,071,297.57
LIABILITIES, ...	33,770,674.54
SURPLUS, ...	3,300,623.03

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, Pres. HENRY M. PHILLIPS, Vice-Pres.
W. W. MCCLENCH, Sec'd Vice-Pres. W. H. SARGEANT, Sec.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager of Agents for Southern New York.



Established 1782.

Phoenix Assurance Company, Ltd.,
OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.
Head Office for the United States, 47 Cedar St., N. Y.
A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, Jr., Sec.

Head Office for the United States:
57 and 59
William Street,
NEW YORK.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

A. G. McIlwaine, Jr., Manager.

THERE IS

Always a Good Opportunity for a Good Man

TO REPRESENT

The Mutual Life
INSURANCE COMPANY OF NEW YORK.

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT.

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents,
32 NASSAU STREET, NEW YORK CITY.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905.

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353,488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Commercial Union Assurance Co.
LIMITED,
OF LONDON.
OFFICE:
Cor. Pine & William Sts., New York

Insurance Co. of North America,
232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.
Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

INCORPORATED 1851.

The Berkshire Life Insurance Company,
OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Secy.
Agencies in all the principal cities of the United States.

The Jefferson Fire and Marine Ins. Corporation
OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y.
Telephone: 3894 John.
FORTY-FOURTH YEAR.

[FIRE]
German American
Insurance Company
New York
CAPITAL
$1,500,000
NET SURPLUS
5,841,907
ASSETS
12,980,705

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, MAY 27, 1905. No. 21.

Published every Saturday by the Underwriter Printing and Publishing Company.

Subscription price: Five Dollars per annum in advance.

All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

Entered at the New York, N. Y., Post Office as second class matter.

WE print our usual special report of the proceedings at the annual meeting of the South Eastern Tariff Association. It was an unusually lively meeting, with a record attendance, but no radical legislation was attempted. The cancellation clause and cotton situation were the only features upon which there was serious difference of opinion, and they were settled in accordance with the views of the conservative members. The vital interest taken in the proceedings and the healthy tone manifested induce the impression that the association is better equipped for effective work than ever before in its history.

IT was Grady. The natural curiosity of the insurance people as to the author of the foolish bill to disorganize the investments of insurance companies doing business in New York, which was rushed through the Legislature in its closing hours, was satisfied at the hearing given by the Governor on Tuesday. Senator Grady was present to assume the responsibility, although he admitted that "some" of his constituents put him up to it. The only plea that he offered for his production was that it would "prevent alien companies from controlling New York companies"—whatever that may mean. As for the danger that it would drive foreign companies from the State, he intimated that they could not be bribed to leave these fertile pastures. It was plain that Mr. Grady did not know much about his bill anyway, and the constituents who put him up to it shamelessly left him in the lurch. The Governor has not yet announced his purposes regarding the bill, but his disaproval of it cannot be doubted.

THE baleful effects of the interminable Equitable Life sensation on the brains even of persons accounted among our most conservative citizens may be seen in the proposition of Mr. William F. King that President Roosevelt shall institute a general investigation of the business of life insurance in the United States. Mr. King when president of the Merchants' Association of New York gave so many evidences of sanity in his official acts in connection with civic reforms that his present role is all the more surprising. It goes to prove that in periods of great excitement the craze for the spectacular may bite the best of men. Mr. King would have our much burdened President add to his responsibilities by plunging into an undertaking before which the business of keeping the republics of South America and the tariff stand-patters in order would pale into insignificance. If it takes a State insurance superintendent six months to examine one insurance company thoroughly, how much time will the President need to examine fifty? The assurance that comes from Washington this week that the President is not disposed to intervene was hardly needed. *His* head, at least, is level. That venal men should take advantage of the present situation to delude policyholders with schemes of investigation and litigation is to be expected and cannot be helped; but honest citizens, though their souls are full of alarm and indignation, can safely await the results of the official examinations of the Equitable now in progress before determining whether it is necessary to proceed to more drastic measures.

CONTRARY to the confident expectations of the local fire underwriters at Little Rock, the circuit court there has, in the case testing the validity of the extra-territorial feature of the Arkansas anti-trust law, found the insurance company guilty. More than that, the State's attorney has begun a suit against the company to recover the fine of $5,000 a day since it began to violate the law, and up to date the aggregate amount due is reckoned at some $300,000. A sorry price would it be for the Hartford Fire insurance company to pay for doing a few weeks' business in Arkansas. The circuit judge has based his decision upon the bare question whether the company by belonging to a pool or compact to make rates in another State has violated the provisions of the act, and he decides that by the company's own admissions it has. The other questions raised by counsel for the company do not concern this court. While the underwriters were led to expect a favorable result in the preliminary contest, it was well understood that the issue would go to the Supreme Court in any event. And so it will now. If the upper court narrows its view of the case to the simple question considered by the lower court it is evident that the companies will be beaten. But it can hardly evade an inquiry into the constitutionality of the extra-territorial provision of the act. On this particular point the same court in 1899 held—the case being that of the first anti-compact law—that it is a well settled rule that "the Legislature is presumed to intend that its statutes shall not apply to acts or contracts done or effected beyond the limits of the State, and having no reference to or effect upon the person or property of the State," and the court quoted Chief Justice Marshall to the same effect. Justice Wood, in the Arkansas decision, in a supplemental opinion said: "The Legislature has no extra-territorial power to punish crime," and he characterized such an attempt on the part of the Legislature as "a vain, idle thing."

THE Michigan Legislature in 1881 passed an act providing for a commission composed of the Attorney General, Insurance Commissioner and "some suitable person" to be appointed by the Governor, to prepare a standard form of fire insurance policy, which when it should be duly filed with the insurance department would

constitute the only legal form to be used in Michigan. The form was not agreed upon until 1889, and then went into effect and has since been in use in that State. The Michigan Supreme Court this week declared this policy void, on the ground that the Legislature cannot constitutionally delegate the authority to create—which is vested in itself alone—to another body. In this opinion the court followed the decision of the Pennsylvania Supreme Court in 1894, and that of the Wisconsin Supreme Court in 1895, in similar cases. The defect was cured in the latter State by the direct adoption of the insurance commissioner's form by the Legislature. Doubtless the same course will be taken by the Michigan Legislature in the present case. But the question is raised by these decisions whether the standard policies now used in quite a number of States, and which were prepared by delegated authority, are constitutional. The New York standard form, which is the model for most of the forms in force, was prepared by the New York Board of Fire Underwriters, by express direction of the Legislature of 1886. The standard policies of New Hampshire, Minnesota and New Jersey were prepared by the insurance commissioners thereof. In Missouri and Iowa the insurance companies were requested to agree upon a form which when filed should be the legal form. A curious side light on the question of constitutionality of these forms is afforded by the fire insurance companies themselves, where in the case of South Dakota they recently sought to overthrow the insurance commissioner's policy on the very grounds taken by the Pennsylvania, Wisconsin and Michigan courts; that the making of a standard form is solely a legislative function. They succeeded in their contention, for the Legislature has been forced to enact its own form. In view of these conflicting conditions it would be well to get the constitutional question settled in the States using delegated forms before legal complications arise. It may be added that the standard policies in force in Massachusetts, Rhode Island, Connecticut, Maine, North Carolina and Louisiana are direct enactments of the legislatures of those States.

Facts and Opinions.

The celebration of the **Diamond Jubilee of the New York Life** insurance company was in progress four days of the present week in New York, and consisted of meetings by representative agents from all over the country and from abroad, and entertainments at the theatres and the Hippodrome. The occasion has been educational as well as commemorative, and has been modest in the matter of expenditures, as it should be. The agents assembled here have been interested in a statement made to them by the company in regard to the salaries paid to the officers. The trustees on April 12 last adopted a minute which said: "We commend the policy of an open ledger. We commend a rule under which information when sought is sent promptly to the policyholders." In accordance with that policy the salary list has been published. The president receives $100,000 per annum, and no other compensation—"a large salary paid to a large man for large and peculiar responsibilities"—the salaries of Vice Presidents Perkins, Kingsley and Buckner are respectively $25,000, $35,000 and $40,000; of Second Vice Presidents Weeks, Ingersoll and E. R. Perkins respectively $18,000, $21,000 and $30,000. Treasurer Randolph receives $30,000 and Secretary Ballard $10,000. This compensation, it is held, is only commensurate with the exceptional and responsible services rendered, and is equivalent to that paid by other large corporations for the performance of similar duties by first class men. The following new bylaw of the company's regulations, recommended by President McCall to the executive committee, has been adopted by the board of trustees:

33. Any person of legal age, except an officer, employee or agent of the company, may, at the annual election of members of the board of trustees, act as proxy for any member or members of the company. The board of trustees shall elect from its own numbers a committee of three, who may act as proxies for members, and shall hold office until their successors are elected by the board. This committee shall not include any officer, employee or agent of the company. Every proxy must be executed in writing, and shall be revocable at the pleasure of the person executing it. Every such proxy shall be invalid after the expiration of eleven months from the date of its execution, unless the member executing it shall have specified therein the number of years for which it is to continue.

The **Charleston, S. C., Board of Fire Underwriters,** at a recent meeting, heard an adverse report from a special committee, appointed at a previous meeting, to consider and report on the subject of a stamping office for that city. On hearing the report a majority of the meeting voted to defer action, which was done with the idea that the matter would there rest, and that no stamping office would be established in the absence of a definite request from the board. Mr. James S. Middleton, chairman of the South Carolina committee of the South Eastern Tariff Association, recently addressed a letter to the individual agencies on the subject, and some of these letters convey a covert threat that unless the agents favor a stamping office the rates in Charleston will not be revised. This has aroused the ire of some of the agents who had hitherto been indifferent, and they are now outspoken against the stamping office, and claim to be indignant over Mr. Middleton's "attempt to coerce them by threats." Last week the board was again convened to consider what could be done, as it was evident that some definite action was necessary to convince the South Carolina committee that a large number of the agents are opposed to the project. After some discussion the following preamble and resolution were adopted. Present and voting, 22. Pro, 14; con, 8:

Whereas, The South Carolina committee of the S. E. T. A. will recommend the establishment of two stamping offices to cover the entire State (one located in Columbia), and has requested the Charleston agents to express their wishes in regard to the matter, and whereas the Charleston local board, composed of every agency except one, has exhaustively studied the situation, both as a body and through a special committee; therefore

Resolved, That we are opposed to the change contemplated, and hereby request the S. E. T. A. to exempt Charleston from the jurisdiction of any stamping office which it may determine to establish in the lower part of this State.

The Appellate Division of the New York Supreme Court, First Department, has handed down twenty-one decisions affirming the judgments heretofore recovered against the **Mutual Reserve Life** insurance company. These cases, in which the judgments aggregate many thousands of dollars, are but a portion of the similar cases in which judgments have been recovered against this defendant in the courts of this city. The suits here were brought upon judgments originally recovered against the defendant in the courts of North Carolina. Some years ago, when the Mutual Reserve was doing business in North Carolina, it agreed in writing that service might be made by any of the policyholders of that State on the insurance commissioner. Afterward, however, the company attempted to revoke the authority of the insurance commissioner in this respect and withdraw its agents from the State, so as to leave its policyholders in North Carolina with no one in that State upon whom to make service. Policyholders, however, in North Carolina in suits against the company served upon the insurance commissioner and the Supreme Court of that State held that the service was good. The decisions just rendered by the Appel-

late Division here are in line with that decision, and also follow the decisions of the Court of Appeals of this State and of the Supreme Court of the United States in holding that the service upon the insurance commissioner is good service upon the company. The cases were argued in the Appellate Division by Frank R. Lawrence for the company, and for the policyholders by Gilbert E. Roe.

The annual meeting of the Actuarial Society of America was held at the building of the Metropolitan Life insurance company on May 18 and 19. There was a large attendance of members. Papers were presented as follows: "An Accumulation Formula for Policy Values," P. C. H. Papps; "A Method of Verifying Valuation Results," W. H. Peiler; "The Theory of Lines from a Fire Underwriting Standpoint," W. S. Nichols; "A Note on Personal Selection," F. H. Johnston; "Some Suggestions Regarding the Education of Actuarial Students, and the Future Activities of the Society," Arthur Hunter; "Relative Results of Valuations by Different Methods," Douglas H. Rose; "Note on Limit of Risk," R. Henderson; "Mortality Among Athletes and Other Graduates of Yale University," John M. Gaines and Arthur Hunter. The following officers were elected: President, Rufus W. Weeks, of the New York Life; first vice president, Daniel H. Wells, of the Connecticut Mutual Life; second vice president, John K. Gore, of the Prudential; secretary, Arthur Hunter, of the New York Life; treasurer, Clayton C. Hall. There was a banquet in the evening at the Hotel Astor, at which speeches were made by President De Boer, of the National Life of Vermont; Sydney N. Ogden, James M. Craig, John K. Gore and Rufus W. Weeks, the new president.

At the May dinner of the **Life Underwriters' Association of New York** James M. Beck, former Assistant Attorney General of the United States, was a guest, and made a speech favoring national supervision of life insurance. Mr. Beck reiterated his former sharp attack on Thomas W. Lawson, whom he characterized as "a clever, audacious and frenzied faker" and a "demagogue who with artful craft has poisoned the public mind against the insurance interests." He declared the uneasiness the attack had created in the public mind was not justified. Mr. J. H. Jeffries, of Philadelphia, said in the course of a speech against government supervision:

> It is not reasonable to believe that the insurance companies would be more honestly or more economically managed in the hands of ignorant or dishonest politicians than they are today. Witness the recent gas steal in Philadelphia, where the law making power has turned to violation of the law, where public opinion is derided and the will of the people set at naught.

President John Dolph, of the National Life Underwriters' Association, also spoke.

The prevailing opinion on the street regarding the **new ruling of the New York Fire Insurance Exchange,** as to the 80 per cent. coinsurance clause, is that the minimum of risk to which it should apply should be raised. Opinions, however, differ as to what this minimum should be, some contending that $5,000 is low enough, others that it should be higher—even as much as $25,000. The present ruling hits nearly every insured, and some dissatisfaction is manifested. Those in favor of the measure look upon it as a protection to the companies against the man who gets insured for only a small part of the value of his property, so that when a small loss occurs it is a total loss to the company. The limit, $2,500, on household furniture is thought to be high enough not to affect the poor man and low enough to make it advantageous for everyone insured to cover to the full value of his property.

At a meeting of the Connecticut Life Underwriters' Association, held Monday evening, plans were discussed for the **convention of the National Life Underwriters' Association,** which will be held in Hartford next September. Committees on finance, press, hall and banquet, entertainment of ladies, special entertainment and reception were appointed for that event, also the following delegates: Eli D. Weeks, of Litchfield; L. C. Slayton, of New Haven; George W. Van Fleet, of New Haven; A. T. Richards, George W. Staples, A. J. Birdseye, Thomas W. Russell, Rodney Kellogg, A. E. Howard, F. A. Griswold and W. Miller Scott. These alternates were chosen: F. W. Hodge, of New Haven; E. S. Gordy, of Ansonia; A. B. Lincoln, of Willimantic; John M. Adams, of New Haven; F. Willson Rogers, Frank G. Burnham, M. C. Hillery, J. C. Gorton, F. R. Loydon and C. B. Pitblado.

At next week's meeting the **Boston Board of Fire Underwriters** is to take action on a new draft of the rules governing the **employment of solicitors.** The first paragraph of the new draft forbids the employment as solicitors of those holding broker's certificates, and restricts the employment of solicitors to the service of the company or agency that engages them. The second paragraph of the old rule, regarding the filing of lists of solicitors and the fines imposed for failure to do so, is retained in the new draft. A third paragraph is added defining the compensation which solicitors may receive, which must be either a definite annual salary or a commission equal to that permitted to a broker on the same business, namely 10 per cent. for risks in the congested district and 15 per cent. elsewhere in Boston or the metropolitan district.

The **City of New York** insurance company this week secured an important acquisition to its staff in the person of Mr. **George E. Kendall,** the well known New England underwriter and former secretary of the New Hampshire Fire insurance company. Mr. Kendall becomes **consulting underwriter** of the company, and took up his new duties on Wednesday. Mr. John B. Cooney, for ten years assistant secretary of the National Standard insurance company of New York, has been appointed agency superintendent of the new company. His underwriting experience prior to the National Standard was with the Lancashire for eight years in New York and Chicago, and his appointment in connection with that of Mr. Kendall goes a long ways to promise a good future for the City of New York insurance company.

The newest departure in the nature of tourist insurance is the **baggage insurance check** issued by the Baggage Security Company of New York, under policy of the Columbia insurance company. The check, which in appearance is quite similar to the accident tickets issued by several of the casualty companies, protects personal property against loss by fire and theft while in transit or in any station, storehouse, laundry, hotel, boarding house or dwelling, and against loss or damage caused by collision, derailment or accidents of navigation, in accordance with the terms of the insurance check. The amount insured by the check ranges from $100 to $2,500, covering from one week to six months. The checks will be on sale at all principal hotels, express offices, tourists' agencies and ticket offices.

The most **important agency consolidation** to be effected on "the street" for some time was decided upon this week. The well known firms of Blagden, Kelley & Co. and the Baldwin & Fuller agency will operate as one from June 1,

in the splendidly equipped offices at 92 William street, now occupied by the former firm. The name will be Blagden, Kelley & Fuller, and the combination will represent the Fire Association of Philadelphia, the Georgia Home, Citizens of St. Louis, Boston of Boston, Mass., and the German of Pittsburgh. The new agency, composed as it is of two such well established and reputable firms, is doubly strong, and has plenty of energy and experience in it to get a big share of all the good business that's going up and down the line.

A scheme of **life insurance by the State in Russia** has been, according to a cable dispatch, devised by the Minister of Finance. The Associated Press learns that it already has received imperial approval. The dispatch says:

Some years ago under M. Witte, president of the committee of ministers, a state insurance monopoly was proposed, but was abandoned as impracticable. The project adopted is a system of popular insurance modeled somewhat on the German system, the amounts being limited to $2,500 and the insurance to be conducted through the savings banks. The insurance will be granted without examination, but if the insured dies within five years only the premiums will be returnable. It is quite likely that the new system will be combined later with the plan for state insurance for workmen, which is being elaborated in accordance with the Emperor's promise to the workmen after the serious rioting of January 22. F. B. Course, the manager of one of the American companies, says the new system will in nowise interfere with the foreign companies.

A new departure has been instituted by the **Boston Board of Fire Underwriters** in the issuance of a **Hand Book,** which is designed to serve that body in the same capacity as does the Blue Book of the New England Insurance Exchange. The hand book contains the constitution, bylaws, office regulations, brokerage and agency rules, broker's agreements, pledges, minimum rates and rules, general rules, forms, clauses and privileges. It is handsomely bound in green leather, and is furnished with an excellent index. Every other page is left blank so as to permit of the pasting in of additions and corrections. In sending out the hand book the board invites suggestions in writing from members, with reference to any changes or improvements therein.

In his annual fire insurance report **Commissioner Folk, of Tennessee,** says in referring to the work of the special legislative insurance committee:

The result of this committee's investigation was embodied in an able and comprehensive report to the Legislature, in which definite recommendations were made that certain laws be enacted. Bills were introduced by the committee in accordance with its recommendations. It is a matter of much regret to those who are interested in the subject of remedying conditions in Tennessee that only one of the measures suggested by the committee became a law, this one being the bill to prevent any agreement between companies or their agents to maintain premium rates. I am very firmly of the conviction that if other legislation recommended by the committee had received the confirmation of the General Assembly the fire loss in Tennessee would have been reduced and the burden upon the premium payers of the State lessened.

The annual meeting of the **Fire Insurance Salvage Corps of Brooklyn** will be held Monday, June 5, and the directors will then consider the extension of the services by the addition of a new station to cover territory bounded as follows: Beginning at the corner of DeKalb and Washington avenues, running easterly on DeKalb avenue to city line; thence southerly on old city line to Pennsylvania avenue to New Lots road; thence westerly on New Lots road to Manhattan Beach Railroad, and continuing along the line of said Manhattan Beach Railroad to Brighton Beach Railroad; thence northerly along Brighton Beach Railroad to Eastern Parkway and along the line of Washington and Underhill avenues to DeKalb avenue, the place of beginning.

The **Brooklyn agency of the Northwestern Mutual Life insurance company,** of which James F. and William F. Atkinson are managers, has been removed from 26 Court street to larger and more modern quarters in the Temple Bar Building. The Atkinsons have been Long Island managers of the Northwestern for the past twenty years, during which time they have built up a strong business for their company in that territory. They now have six agents in their own office, and two sub-agencies in other parts of Brooklyn, reporting through them. Thus far this year every month has been a record breaker for business, as compared with the same month in any preceding year of the Northwestern's existence.

The handsome **new office building** of the Western department of the **American of Newark at Rockford, Ill.,** was formally opened May 16, the affair being celebrated by a banquet in the evening at the Hotel Nelson. Charles E. Sheldon, Western manager and second vice president, was toastmaster, and addresses were made by Vice President P. L. Hoadley, Frederick Hoadley, his son, the architect of the building, and Senator G. W. Ketcham, J. H. Pitney and Samuel S. Dennis, directors of the company. S. K. Hatfield, general adjuster, and J. W. Price, State agent for Michigan, represented the field force. At the conclusion of the banquet the party adjourned to the new building that they might see it lighted up.

It has transpired that **Sam Lobley, the old time crook,** who recently swindled the Equitable Life Assurance Society out of a large sum of money by securing loans on a policy stolen from the company's vaults by a confederate clerk, turned the trick three times instead of twice, as was at first stated, and realized in all about $54,000. Upon his appearance to answer a charge of grand larceny he pleaded not guilty, but since has made overtures to the district attorney's office for a return of part of the plunder provided he can obtain leniency, and may change his pleading to guilty, in the hope of getting a lighter sentence than he might otherwise receive.

The suit of the **Mutual Life** insurance company of New York **against** Mrs. Appolline M. **Blair,** widow of James L. Blair, special counsel of the World's Fair, who committed suicide after large embezzlements, has been settled and the litigation discontinued by a subsequent order of the court. The suit was to cancel a $200,000 policy on Blair's life alleged to have been obtained through fraud and misrepresentation of his financial condition. The suit of Mrs. Blair to recover $10,000, the first payment on the policy, has also been discontinued by the same order. The terms of the compromise have not been made public.

The **Maryland Casualty** Company has announced the appointment of **Mr. William C. Mulvey** as resident manager for the greater New York. Mr. Mulvey's appointment is an eminently proper one, as he has been assistant manager in the same department since 1903, and he is well qualified also by his experience prior to his connection with the Maryland Casualty. In 1899 he began in liability underwriting with the Western department of the Fidelity and Casualty Company, and in 1896 he came to New York, working in the city department of the same company until entering the service of the Maryland in 1903.

An **examination of the Mutual Benefit Life** insurance company is being made by the New Jersey Insurance Department, and by a strange combination of circumstances the ex-

aminers are David Parks Fackler, the eminent actuary, whose last examination was of the Washington Life, and Dr. Israel C. Pierson, former actuary of that company. Our esteemed contemporary, the *Surveyor*, says of Dr. Pierson: "No one is better qualified to discover whether the Mutual Benefit has been preparing the proper policy schedules for valuation purposes, and Mr. Fackler's judgment in this matter is to be commended."

Now that **the Perry arson case in Chicago** has been settled, it is believed that the ex-banker may bring suit to recover damages. It is held that he would find it unusually easy to prove damages, as in his case the charge of arson, of which he was afterward acquitted on trial, ousted him, in a single day, from the presidency of a large national bank, with $15,000,000 of deposits, which at once retired from business, and practically ruined his business career. The insurance companies claim that they cannot be held for any responsibility, as the action was taken by the attorney for the fire department.

"A few **leaves from our check book"** is a clever little ad pamphlet that Managers E. E. Clapp & Co., of the Fidelity and Casualty Company, are using with success. It contains facsimile reproductions of the checks given by the company as indemnity in a number of cases, the sums ranging from $1,200 to a sufferer from bronchial pneumonia to $15,000 paid under the beneficiary clause to Mr. Newman Erb, of New York, whose wife was killed in a New York Central train wreck. Mr. Erb also received $1,600 on his policy for personal injuries, and it is still in force. Figures certainly talk in such cases.

The suit of the **Phœnix** insurance company of Hartford **against the New York Central** Railroad, in the New York Supreme Court at Buffalo, N. Y., last week, for $50,000 damages, in consequence of a train running over lines of hose with which firemen were fighting fire in a plant where the insurance company had policies, was not decided. The jury debated fourteen hours, and was discharged on Friday by Judge Lambert. It is stated that the jury stood nine to three for the plaintiff. A similar case in Massachusetts was recently decided for the insurance company interested.

The **Auditor of Iowa,** in his **annual report,** urges the enactment of laws compelling greater care on the part of fraternal insurance organizations in the investment of their funds. He recommends that reserve funds be permitted to be invested in State as well as national banks, and that Iowa life companies be permitted to erect home office buildings. He also suggests more frequent distributions of surplus, and condemns the practice of companies in urging the sale of certain forms of investment policies, as against the common forms of life and endowment insurance.

The **Royal** insurance company has appointed R. Emory Warfield, assistant manager at Philadelphia, to be **manager of the middle department** for that company at the same city, succeeding the late John Tenny. Mr. Warfield is an underwriter, with experience dating back prior to 1878, when he became secretary of the Firemen's of Baltimore, his native city. In 1885 he was made Baltimore manager of the Royal, and when that city and Philadelphia were combined under one management in 1896 he became assistant at the latter place.

The **fire department at St. Joseph, Mo.,** is charged with responsibility for the recent total loss there. The fire chief was at Lake Contrary, several miles from the city, on a fishing trip. The fire was handled by his assistant, and discipline was said to be very poor, the firemen did not go after the flames in the first place, were late in reaching the fire, and were very slow in getting the water tower into operation. Insurance men who saw the fire believe that the loss would not have exceeded 25 per cent. had the chief been present and the fire properly handled.

The annual report of the directors of the **Sun of London** for 1904 shows that the net premiums were £1,306,180, as compared with £1,222,666 for 1903. Claims paid and outstanding were £797,977 (61.1 per cent. of the premiums), against £622,027 (50.9 per cent.), and the total expenses and commissions were £448,333, against £423,208. There was thus a surplus of premiums over claims and expenses of £59,870 (4.6 per cent. of the premiums), as compared with £177,431 (14.5 per cent.) in 1903. The total funds, including paid up capital of £120,000, amounted to £2,449,045.

Many members of the National Fire Protection Association, in annual session this week in New York, were present as guests at the **May meeting** of the **Insurance Society of New York,** which was held on Tuesday evening in the society's rooms. Prof. Ira H. Woolson, of Columbia University, who conducts the fire testing station at that institution for the New York City Building Department, gave a lecture before the society, illustrated by lantern slides, on the subject of "Fire Tests of Building Materials," which was much appreciated by those present.

The responsibility of the **Chicago** city government for losses caused by the **teamsters' strike** will be decided by claims filed by the New York Plate Glass insurance company against the city. The contention is that plates of glass insured by the company were destroyed by rioters, and that the company was compelled to replace them, and the city is therefore held for three-fourths of the damage under the law. This law provides that the city must bear that proportion of any damage caused by a mob or riot in which twelve or more persons participate.

The Commercial Club, of Dayton, Ohio, which has started a campaign against the **Ohio Inspection Bureau,** makes the remarkable charge that the bureau is working in operation with electrical contractors. It asserts that the complaints against electrical installations made by inspectors for various insurance companies are intended solely to make business for electrical wiring contractors, and that the inspectors get a rake-off if they can force property owners to give the electricians a new job.

Marine underwriters who are covering **cargoes bound for the Far East** are charging a considerably higher rate than usual on war risks. This is due principally to the lack of knowledge as to the movements of the fleets, and the fact of the many captures by the Japs. The uncertain actions of the Russians are largely responsible for the increased war hazard. The marine hazard is covered at the usual rate. The war hazard is only covered at the request of the assured.

The **Capital Fire** insurance company of Concord, N. H., last week appointed as **secretary** Col. **Rufus N. Elwell,** for six years past inspector for the New Hampshire Board of Fire Underwriters, who was a collector of customs of the State and is at present speaker of the New Hampshire House of Representatives. Colonel Elwell was born at Detroit,

Me., in 1862, and has a wide acquaintance and influence throughout New England.

Dates Ahead—International Association of Accident Underwriters, Lake Muskoka, Canada, July 18, 19, 20 and 21; National Association of Local Fire Insurance Agents, Denver, Col., August 16, 17 and 18; National Association of Life Underwriters, Hartford, Conn., September 16, 17 and 18; national convention of insurance commissioners, Mount Washington Hotel, Bretton Woods, N. H., September 26, 27 and 28.

The **Fidelity and Casualty Company** of New York last week completed its arrangements with the Canadian Government, and was **admitted to** do business in **the Dominion,** where it will write accident, sickness and burglary insurance. The field is considered a good one, and the company has appointed Lukis, Stewart & Co., of Montreal, its general agents, with offices in the new Sovereign Bank Building in that city.

Hearing was begun this week at Newark, N. J., by Vice Chancellor Stevens in the suit brought by the Newark city attorney against the **Newark Fire Insurance Exchange,** which is charged with being "a combination organized and existing to restrain commerce and create a monopoly of the business of insuring property against damage or loss by fire. Richard V. Lindabury appeared for the Exchange.

The **New York city agency of the Germania Life insurance company,** which for the past thirty years has been managed by William Cohn, has changed hands. Mr. Cohn has retired and Mr. User Marcus, former agency director for the New York Life insurance company, succeeded him on May 15. The office is located at the corner of Fulton street and Broadway.

The National Surety Company has given notice to the secretary of the **Ohio Bankers' Association,** which has represented it as general agent in Ohio for the securing of fidelity bonds of banks and trust companies, of its intention to discontinue its contract with the association. The **business** secured under this contract was **unsatisfactory,** which caused its discontinuance.

A news dispatch from **Wilkesbarre,** concerning a recent **fire** there, says that water thrown from the fire hose followed wires into a nearby building and running into the basement short circuited an electric motor, which flashed, setting fire to merchandise nearby. The building where this occurred was also burned, with a loss of $300,000. Strange if true!

The **American Fraternal Life Association** is a new Indianapolis organization, with John W. Kern, late Democratic candidate for Governor of Indiana, as president, which proposes to write life, sickness and accident insurance at rates less than those of regular companies, and greater than those of fraternal orders, which, the association contends, are inadequate.

Reckless Girl.—Irene—Weren't you surprised to hear Lucy is going to marry that delicate young Mr. Weeker? I heard he tried to get his life insured not long ago and got turned down. Maybelle—No, I wasn't surprised. Poor dear Lucy will take risks that no life insurance company will touch.—*Chicago Tribune.*

A wharf owner at New Haven was recently **held liable** for an injury to a barge moored to his wharf. The craft settled with the falling tide upon a broken spile, which the United States District Court held could have been discovered and removed by the owner by the exercise of a fair degree of care.

The **North anti-compact bill** has been **killed in Wisconsin,** largely because of a clause providing that no contract for insurance was valid unless made in writing and signed by an authorized agent. The local boards, which make rates in Wisconsin, are thus preserved for at least two years longer.

The **Iowa Manufacturers' Association** has called a special meeting for June 1 and 2 at Waterloo, Ia., to complete the organization of its proposed fire insurance company. The plan to organize a mutual has been abandoned, and the company will have $100,000 capital stock.

The **Board of Fire Underwriters of the Pacific Coast** has admitted to membership the California insurance company of San Francisco, which, it is expected, will begin business the first of next month. The Calumet Fire of Chicago also recently joined the board.

Applications for **admission to the Western Union** have been received from U. C. Crosby, the new United States manager of the Royal Exchange, and E. L. Ellison, vice president of the Alliance of Philadelphia.

The **State Mutual Life and Annuity Association,** of Rome, Ga., will shortly go on a legal reserve basis, and make the deposit of $10,000 required by the laws of that State. Its reserve will be figured at 3½ per cent.

Twenty-six insurance companies have been **admitted to Indiana** since the passage of the new law liberalizing the requirements for admission. Of these sixteen are fire companies and ten casualty companies.

Personal.

AGENCY APPOINTMENTS.

German Underwriters: H. B. Alden, Boston, Mass.

John Hancock Mutual Life: Joseph H. Strong, general agent for Chicago, with offices in the First National Bank Building.

Philadelphia Underwriters: John H. Ansley, special agent for Eastern Pennsylvania.

Westchester Fire: Booker & Kinnaird, Louisville, Ky., transferred from Shallcross & Co.

Messrs. Moore, Case, Lyman & Herrick, the new local agency formed at Chicago by the consolidation at the first of the month of Moore, Janes, Lyman & Herrick and Case, Nye, Shepherd & Bowden, gave a dinner to their sixty-five employees at the Union League Club Saturday night, May 20, in order to get them better acquainted. J. H. Moore, the veteran Chicago agent, presided, and his address of welcome was responded to by E. B. Case for the new contingent.

State Agent Alva A. Cratsenberg, of the German American insurance company at St. Paul, Minn., one of the oldest and best known field men in the West, died of nephritis at the City Hospital, St. Paul, on Monday. He was born in Denmark, N. Y., in 1852, and had served his company in the field twenty-three years. He was a local agent before that, and later special agent of the Continental.

Mr. E. P. Peterson, of Ramsay County, Minn., has been appointed State fire marshal by Insurance Commissioner O'Brien. The office was created by the last Legislature, and carries $2,500 salary. Mr. Peterson has been Commissioner O'Brien's deputy since the latter's incumbency, and is succeeded in that position by Chief Clerk E. A. Waters, of the insurance department.

Mr. Arthur Gilmore will be admitted to partnership in the firm of Cyrus Brewer & Co., Boston, next Thursday. The management of this office has been in Mr. Gilmore's hands for some years past. Mr. Arthur W. Pope, who does business under the style of Cyrus Brewer & Co., intends to spend some time in the country for rest and recreation.

Mr. Jay S. Glidden, son of Manager Glidden, of the Chicago Underwriters' Association, has been appointed Cook County special agent for the

Citizens of Missouri, taking effect June 1. He will succeed H. W. Darling, who becomes associated with the local agency of Moore, Janes, Lyman & Herrick.

Gov. Edwin Warfield, of Maryland, president of the Fidelity and Deposit Company of Baltimore, lectured before the Wharton School of Finance and Commerce of the University of Pennsylvania on Tuesday. His subject was "Corporate Suretyship."

Mr. A. J. Miazza has been appointed secretary of the Mississippi Home of Vicksburg in place of A. C. Lee, resigned. Mr. Lee has been with the company fifteen years, and will go into the general agency business.

Mr. J. W. Brooks has been appointed assistant manager of the Delaware and Reliance, succeeding W. F. Braun, resigned. Mr. Brooks has been executive special agent of the companies in the West.

Messrs. J. Q. Haas & Co. have resigned as State agents for the Delaware and Reliance for Minnesota, and have given up the local agency for St. Paul. G. W. Shepherd & Co. have taken the latter.

Mr. Charles G. Rhodes has resigned as special agent for the Continental in Kansas, and goes into the mountain field for the St. Paul Fire and Marine, with headquarters in Denver.

Mr. S. L. Strauss is promoting a casualty company under the Illinois laws, to have a capital stock of $250,000. He proposes to write all lines except liability insurance.

Mr. D. L. Gardiner has retired from the Chicago agency of Deroode, Faulkner & Ettelson, to become special agent for the Calumet Fire in Missouri and adjoining States.

President Tatlock, of the Washington Life, has returned from his visit to the West, where he has been inspecting the agencies of the company.

Mr. Henry Fuller, of Milwaukee, has resigned the management of the Washington Life for Wisconsin, taking effect June 1.

Hon. Samuel E. Kemp, former Insurance Superintendent for Ohio under Governor Foraker, died on Monday at Dayton, Ohio.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Connecticut.

Hartford, Conn., May 25.—The Committee on Insurance today reported in the Senate favorably on the resolution incorporating the Lawyers' Title insurance company of Stamford. Before the committee Wednesday afternoon Col. Walter E. Coe, of Stamford, explained the resolution. Insurance Commissioner Upson urged that the company should have a capital of adequate amount. In New York a capital of $150,000 is required, and Pennsylvania requires at least $250,000. Senator Bicknell urged that a capital of $50,000 was sufficient to begin with, and the report put in this morning shows that the committee agreed with him, for that is the amount of capital expressed in the resolution.

Today, in the Senate, Senator McGovern, chairman of the Committee on Insurance, tabled the bill regarding the Hartford Life insurance company, which was reported adversely in the House Wednesday, and was rejected by that body. In presenting the report Wednesday, Representative Marvin, of Saybrook, House chairman of the committee, said:

This company began assessment business in 1882, and did a successful and satisfactory business until the year 1893, when it fell into the hands of stock jobbers, whose knowledge of insurance was limited, if indeed they had any experience in insurance matters at all. From that year, 1893, until 1899, the assessment business depreciated to such an extent that the company in that year decided to discontinue that branch. In the year 1900 the management changed again, not for the better, but for worse, and it seems to be the policy of the managers, who had no insurance experience whatever, to milk the company and its policyholders, the latter paying in for the purpose of conducting the business about $4 for $1,000 annually, while collecting, the mortuary calls and making payments cost the company only about $1.24; in other words the safety fund policy holders are paying in about $150,000, which not only pays the total dividend of about $44,000, rent and postage and legal expenses, but leaves a surplus of profit from this department of between $80,000 and $90,000, which is used for extra dividends, surplus and conducting its old line business. Your committee would have been glad to frame some legislation to afford a needed relief, but felt we were handicapped by the contracts in the policy and between the company and the Security Company, the custodian of the safety fund, and so have to report unfavorably on this bill, which, we believe, if passed, would injure the policyholders more than to leave matters as they are.

It seemed to be the opinion of the committee that the policyholders should carry the matter to the courts to find whether or not the company had violated its contracts.

Florida.

Tallahassee, Fla., May 26.—The bill advocated by Governor Broward for insurance by the State has passed second reading in the House. The bill by Mr. Hudson for the same purpose, and providing for a paid insurance commission to conduct the business, has been withdrawn.

Massachusetts.

Boston, Mass., May 24.—The Senate has passed to engrossment the House bill for the better inspection of boilers, with an amendment which the House has concurred in, providing a fee of $2 for external inspections and reports.

Michigan.

Detroit, Mich., May 24.—House Bill No. 268, by Mr. McKay, conferring authority upon fire and marine insurance companies to insure property against loss or damage by lightning, has passed both houses.

House Bill No. 267, by Mr. McKay, regarding investments of fire and marine insurance companies, has passed both houses. It is merely an amendment to Section 8 of Act 136 of the Public Acts of 1869, and defines the term "net indebtedness" as relating to bonds of cities, etc., as denoting the "indebtedness, etc.," omitting debt created for supplying water and deducting the amount of sinking funds available for the payment of such indebtedness.

New York.

Albany, N. Y., May 20.—Governor Higgins has signed the following insurance bills:

Mr. Ambler's Senate Bill No. 392, amending Section 52 so as to allow the amendment of charters by the insertion therein of any powers which at the time of amendment may have been conferred by law upon domestic insurance corporations engaged in business of the same general character, or which might be included in the charter of a domestic insurance company organized under any general law for business of the same general character.

Mr. Lewis' House Bill No. 798, to require every individual or partnership or association of individuals known as Lloyds, or as individual underwriters, now authorized by law to transact the business of fire or marine insurance within this State, to create and maintain hereafter a reserve fund equal to its liabilities. It is also provided that no such organization shall hereafter change its name or establish branches under other or different names or titles without first obtaining the written approval of the Superintendent of Insurance.

Mr. McEwan's, Senate Bill No. 737, requiring mutual benefit fraternities to file with the Superintendent of Insurance a duly certified copy of their constitution and bylaws and of all amendments of or additions thereto, within ninety days after the enactment of the same.

Mr. Brackett's, Senate Bill No. 287, forbidding agents of life insurance companies from acting as the representatives of the persons insured.

Senate Committee's, Senate Bill No. 943, providing that whenever it shall appear to the Superintendent of Insurance that the actual expenses of management of any life or casualty corporation upon the co-operative or assessment plan for the preceding year were more than 35 per cent. of the cash income actually received from premiums, assessments and membership fees, the certificate of authority of such corporation, if a foreign corporation, shall be revoked, and if a domestic corporation it must cease doing new business at once.

Mr. Page's, Senate Bill No. 757, providing that casualty and

credit insurance corporations, after June 1, 1905, shall not transact the business of credit insurance, except such corporations as have been authorized by law to transact such business before said date; but such corporation may continue to transact such business with all the privileges theretofore possessed by it.

ALBANY, N. Y., May 23.—The Governor gave a hearing on the bill of Senator Grady prohibiting fire and marine insurance companies of other States and countries doing business in New York from containing in their assets loans on their own stock or the stocks of other corporations doing the same kind of business or investments in the same. There were present at the hearing in opposition to the bill Messrs. E. F. Beddall, Henry H. Hall, A. H. Wray, John A. Garver, Wilhelmus Mynderse, John Hill Morgan, John DeWitt Warner, who represented the Guarantee Company of North America; ex-Governor Morgan G. Bulkeley and Lewis Sperry, representing the Ætna Life of Hartford, and delegations from the Boards of Fire Underwriters of Watertown, Utica and Syracuse. Several of these gentlemen made arguments against the bill. One of them, Mr. Garver, after speaking of the haste in which the bill was passed, without allowing the insurance companies to appear in committee against it, said that it did not have the approval of the Insurance Department of the State, that it not only did not increase the Superintendent's powers, but deprived him of all discretion and compelled him to exercise arbitrarily the powers conferred on him. He said that its mischievous character lay in legislating upon a subject in which this State has no interest. The bill attempted to dictate to foreign companies how they shall invest funds in which the people of New York State have no concern. It could be justified only on the theory that we want to be rid of the foreign companies. It was to be deplored, furthermore, because the bill tends to provoke retaliatory legislation in other States and countries against corporations organized under our laws. In some States there are already statutes in existence which, if this bill became a law, would react most injuriously against New York companies. If companies doing two-thirds or thereabouts of the fire insurance business were to withdraw from the State the effect in raising the rates of insurance would be inevitable. In closing, Mr. Garver referred to the doubtful constitutionality of the bill.

Other persons present spoke in the same strain. The only one who appeared for the bill was its introducer, Senator Grady. He denied that the effect of the enactment of the bill would be to drive companies from the State. The threat was always made in opposing good laws, but was never carried out. The bill would prevent alien corporations from controlling New York insurance companies after the method now in vogue. He had introduced the bill at the request of constituents who felt the inequality of the present law.

The Governor reserved his decision.

Wisconsin.

Madison, Wis., May 19.—In the Senate House Bill No. 253, by Mr. Bletcher, to regulate the examination of insurance companies by the Department of Insurance was concurred in.

The Governor has signed Senate Bill No. 508, by the Insurance Committee, relating to casualty, credit and suretyship corporations, and adding a new section to the statutes of 1898, to be known as Section 1966—31-a.

Madison, Wis., May 24.—Governor La Follette has returned with a veto House Bill No. 545, by Mr. Crowley, "an act providing for licenses to agents to procure fire insurance in unauthorized companies." In his veto message he said:

As indicated by its title, this bill, if it becomes a law, would sanction the transaction of what is known as "underground' insurance in this State. It would even seemingly give to unlicensed companies the advantage over those duly authorized. It is urged in its support that the licensed companies are not sufficient in number or strong enough in aggregated capital stock to carry the risk on all property situated in large cities. Such an argument does not appeal to me as having any force. It is an unwise public policy to provide benefits or to give protection to one who refuses to comply with the law. It weakens the force of all law to engraft upon it any condition to the effect that if the necessity exists it may be ignored. It is true that the provisions of the proposed act contemplate the licensing of an agent or broker who acts for the unlicensed company, but the statutes now prescribe that both the agent and the company for which he acts should procure authority from the State to transact business within its borders. By the terms of this bill the licensing of the agent has the effect of a license to the company itself for the purpose indicated. It would seem that if the license to the agent is sufficient to cover the company in one case there could be very little reason for requiring any license whatever from insurance companies of other States or foreign companies. The statutes of this State require many things of the companies which are licensed, and prescribe heavy penalties for violation of the laws of this State. None of these requirements for the protection of the citizens of this State apply to insurance contracts which would be entered into with these foreign companies which would be admitted here were this bill to become a law. None of the penalties prescribed are made applicable to the companies in which this insurance is permitted, and cannot, therefore, be enforced against them. What inducement is therefore held out to these companies which submit themselves to the jurisdiction of the State, and to the penalties prescribed by its laws? It would be a gross injustice to the licensed companies to permit such a bill to become a law. It would be a gross injustice to the agents of these licensed companies to authorize or empower the agents of unlicensed companies to transact the business of fire insurance in the State.

In addition to this, the opportunity for the perpetration of fraud of the grossest character is presented. The affidavit of the agent alone who is interested in the transaction and who profits by it should not be taken as proof of the fact that the risk on the property sought to be insured could not be placed in authorized companies. If it be true that the interests of the assured cannot be protected from loss or damage by fire in the authorized companies, the present laws should be so modified or amended as to protect that interest by providing for the increase in number and capital stock of authorized companies, or by some modification or other amendment which would put all the companies in which insurance would be effected on the same basis. It would be far better, if it be a fact that authorized companies could not carry the insurance business of the State, to provide that licenses be required of none and that the business be done by licensed agents, than to prescribe that the agent might be licensed to do business for unlicensed companies in certain cases, and, in other cases, to do business alone in all authorized companies.

So far as can be ascertained no serious complaint has been lodged against the statutes on the subject as at present they exist. It is difficult to conceive why legislation should be extended to the insurance of property situated in this State in unauthorized companies. * *

Should this bill become a law no foreign company would have any occasion to procure a license to transact business in this State. To authorize any person to act here as agent of unauthorized insurance companies is to break down and destroy the efficiency of the laws of the State, providing for licenses to insurance companies which have heretofore been a protection to property owners by giving to them an assurance that the companies in which they have insured their property will pay any loss which they may suffer covered by their contract of insurance.

I cannot approve of any measure which destroys the efficiency of these laws or which discriminates against the licensed companies, and seemingly favors companies which ignore and disregard those laws.

Madison, Wis., May 25.—The House has passed House Bill No. 113, by Mr. Bletcher, "A bill to amend Section 1,950 of the Statutes of 1898 providing for the valuation of policies of life insurance, and requiring that the compensation for valuation be paid into the State treasury, and providing for the appointment of actuaries."

The House has also passed House Bill No. 253, by Mr. Bletcher, "A bill to regulate the examination of insurance companies." (See WEEKLY UNDERWRITER, December 10, 1904.)

The Senate has passed Senate Bill No. 361, by Mr. Hudnall, relating to the license fees of casualty and surety companies; also Senate Bill No. 305, by Mr. Hudnall, placing a 3 per cent. tax on the gross income of fire and marine insurance companies.

Miscellany.

SOUTH EASTERN TARIFF ASSOCIATION—PROCEEDINGS OF THE TWENTY-FOURTH ANNUAL MEETING.

(*Special Report.*)

Old Point Comfort, Va., May 24.—The twenty-fourth annual meeting of the South Eastern Tariff Association was held this week at the Hotel Chamberlin, Old Point Comfort, with a record attendance of about 350 special and general agents and company officials from New York, Hartford, Philadelphia and Southern points, with accompanying ladies. The first session was called to order by George J. Dexter, president, at 12 o'clock on Wednesday, a roll call showing that out of a total membership of sixty-nine companies sixty-two were represented by one or more persons.

PRESIDENT DEXTER'S ADDRESS.

The president alluded in feeling terms to the death since the last annual meeting of Colonel William C. Nelson, and continuing gave the names of the companies which had become members of the association since the publication of the last list on October 1, 1904, as follows:

Regular: British American, New York; Carolina, Wilmington, N. C.; Law Union and Crown, London; Southern, Lynchburg, Va.; American, Newark, N. J.; Westchester Fire, New York.

Co-operating: National Union Fire, Pittsburgh; St. Paul Fire and Marine, St. Paul; Williamsburgh City Fire, New York; North River, New York; Traders, Chicago. The German of Freeport became a co-operating company, but subsequently withdrew.

The president rehearsed the action of the association in 1904 decreeing prohibition of association companies in agencies representing non-association companies unless said agencies give satisfactory assurances that they will strictly observe all association rules, including 15 per cent. commission, for all companies represented by them, and said that this action had been duly promulgated and enforced. In connection with this subject the president said:

The question of membership having been settled with the companies, which sooner or later determined to ally themselves with the association, the work of securing the assurances of agents to observe the 15 per cent. commission rule for all companies represented was undertaken. Several plans were tried, unnecessary to enumerate here, but finally the idea was hit upon of procuring lists of agencies throughout the territory where non-association companies were represented. This information was obtained after a great deal of labor, when lists were finally sent out for the several States, one after the other, the same containing the names of mixed agencies in the said States, both the association companies and the non-association companies being given separately in each case.

A mixed agency committee of Atlanta managers was organized, with the president as chairman, for the purpose of carrying out the instructions of the association in the matter of agents and their assurances, and held frequent meetings in order to note the progress made in the work, the secretary having sent the necessary blanks to the companies for transmission to agents. Some idea can possibly be formed of the immense correspondence which this plan of procedure involved, but there is much satisfaction in knowing that persistence in pursuing the matter resulted in the securement of the assurance from all of the agents, practically, in the States of South Carolina, Georgia, Alabama and Florida. In the case of North Carolina excellent progress had been made toward securing the assurances of the agents, when the passage of the anti-commission law in February put a stop to any further efforts in that State. It is unfortunate that the executive committee was not able to fully carry out the action adopted at the last annual meeting, though as a matter of fact it has been entirely successful in all of the States except North Carolina, as explained.

The executive committee has not assumed to determine what action shall be taken in the further prosecution of this matter, and the subject is referred back again to the association itself. It is a large question that you have before you, and I will take the opportunity to recommend that you bring to bear in its determination all of the wisdom which you can command. More depends, probably, upon the disposition of this subject at this time than has been involved in any action taken by the association for many years past, as the conscientious and faithful observance by the members of the South Eastern Tariff Association of the 15 per cent. commission rule means more than pertains to any measure which has come before it or which the business of the companies can afford.

In order to properly define the relations of the co-operating members of the association a special committee, consisting of Messrs. S. Y. Tupper, Milton Dargan and Thomas Egleston, was appointed, whose report, appended hereto, was presented to the mixed agency committee, and subsequently to the executive committee, and fully approved by both.

The report alluded to provided rules for the enforcement of the separation plan, and concluded as follows:

In conclusion, we believe that companies operating under the provisions of the rules adopted at the last annual meeting secure sufficient benefit and advantage therefrom to justify some sacrifice being made in the few cases that arise from time to time. Failure to take this view of it will, in our opinion, weaken the support which we have every reason to expect and demand. Co-operation which does not contemplate occasional concession is likely to do more harm than good, and should not be encouraged. It is the opinion of your committee that, if every co-operating member will only take a broad and liberal view of this entire question, they will see how essential it is that we have their support as outlined above.

The establishment in Virginia of the "Virginia Department Office," under charge of Mr. R. T. Caldwell, exceutive special agent, was reported by the president.

NORTH CAROLINA.

Regarding North Carolina the president said:

By comparison with conditions existing a couple of years since, the present state of affairs in North Carolina is a subject for congratulation. Despite this statement, there still remains considerable cause for irritation on account of competition from non-Board companies, though the extent of this competition is greatly modified. In a few cases the executive committee during the past year have found it expedient to permit the agents to protect the business on their books, but as a result of this there has been a minimum of rate reduction, so far as is known to the association officers.

The executive committee decided at the March meeting to appoint a special agent for North Carolina, who shall reside in the State and devote his attention to looking after the interests of the association; and it is reasonable to hope that with an efficient representative in the State friction and discontent will be practically done away with.

The Legislature of North Carolina, which adjourned in March, adopted into a law the following:

Sec. 1. That it shall be unlawful for any fire insurance company, association or partnership doing business in this State employing an agent, who is employed by another fire insurance company, association or partnership, either directly or through any organization or association, to enter into, make or maintain any stipulation or agreement in restraint of or limiting the compensation which said agent may receive from any other fire insurance company, association or partnership.

Sec. 2. The penalty for any violation of this act shall be a fine of not less $250 nor more than $500, and the forfeiture of license to do business in this State for a period of twelve months thereafter.

The introduction of this bill came somewhat as a surprise to the companies, and very little opportunity was afforded for the making of any effort to prevent its passage, though such steps were taken, however, as were practicable, but to no purpose. The committee on mixed agencies took up the subject some time after the passage of the bill, and determined to proceed no further in attempting to secure the commission assurance from agents in North Carolina, and the companies were notified of the action of the Legislature by circular, issued under date of March 6, 1905, by the president. The case is now presented to you for consideration, and any action which you may deem it wise or practicable to adopt.

SOUTH CAROLINA.

In his address delivered at the last annual meeting President Chapin called attention to the moderate progress only which had been accomplished up to that time in the revision of the town tariffs of South Carolina. The rating force of the association had been almost entirely concentrated in Virginia, as it was desirable to complete the revision of that State as rapidly as possible. It is my pleasure to state now, however, that during the past year

the work of revising the tariffs in South Carolina cities and towns has been entirely completed, with the exception of Charleston and Columbia and a few small towns and villages, all of the latter being of the fourth class. It is gratifying to state that revisions of the tariffs of Charleston and Columbia are now under way, and will be pushed to completion with all the expedition possible. Rates have been in such an uncertain condition at Charleston for so long a period now that a new tariff brought up to date will be hailed by agents with satisfaction. The Charleston agents have always been noted for their loyalty, and in the days previous to the anti-compact law in South Carolina the local board of that city stood pre-eminent for the high character of its members and their faithful adherence to rates and rules. The secretary tells me that in that former time mentioned he cannot recall to have ever issued but one violation for Charleston. A remarkable record!

While on the subject of South Carolina affairs, it would not be proper to omit mention of the fact that very strong efforts were made to institute legislation against the South Eastern Tariff Association during the last session of the Legislature in that State. These measures were prevented, however, and the somewhat singular circumstance is recorded that for the first time in many years no bills adverse to fire insurance companies were presented in the South Carolina Legislature during the last session.

FLORIDA HOTELS.

For years rates on hotels located in Florida have prevailed which have been altogether below what the tariff would make them, and have been the cause of much dissatisfaction to a large number of the companies. A hotel schedule was adopted in the general tariff and promulgated November 16, 1903, and in January, 1904, the executive committee gave instructions that this new schedule be applied to resort hotels in Florida. The opportunity for the secretary to do this did not occur until the winter past, when a special agent was specially detailed with instructions to carry out the action of the executive committee. The results have been made known to you by the promulgation of specific ratings on these hotels, and I doubt not the feeling will be general that these rates should be allowed to remain undisturbed. While these rates are much higher than those that companies have formerly been obtaining, they are what a proper application of the tariff makes them. There is no reason why discrimination in favor of these Florida hotels should be indulged in, and, if they shall be reduced again to meet any competition more or less real, as it may be, consistency will demand of the association that it reduce in like manner rates on all other resort hotels in the territory.

ATLANTA, GA.—REBATING BY AGENTS.

All companies represented in Atlanta have been aware of the strained conditions that have existed there for a year or more, due to the existence of the rebating habit, to which a great many of the local agents were victims. The extent to which this practice prevailed was almost unprecedented—indeed, the extent to which it was carried cannot be known, since a portion only of the individual cases came to light.

The story is not a pleasant one to dwell upon, and I have made reference to it principally because it should be done as a matter of history. Fortunately, we can refer to it as recorded history, for within the last few weeks, through the persistent and faithful efforts of the special committee appointed by the executive committee to handle the situation, and especially of Mr. W. D. Deane, its able chairman, coupled with the fact that the agents have met the committee on half-way ground, an agreement has been entered into by all of the agents doing business in Atlanta, excepting none, whereby the practice of rebating has been abandoned and provision has been made for the enforcement of penalties for all infractions.

The agents themselves have suffered so long under the burden of this evil practice that I am sure they are all glad to put a stop to it and start off under a new lease of life, as it were. Let us hope that each and every agent who has gone into this new agreement will live faithfully up to his obligations, because if each one is true to himself he cannot then be false to the others.

AUGUSTA, GA.—CONGESTION OF COTTON ON STREETS.

Year after year the executive committee and secretary have felt the necessity of calling the companies' attention to the congestion of cotton in the streets of Augusta. In order that it may be understood that no discrimination is intended in this matter it must be said that similar conditions have arisen at other cotton points in our territory, though it is in Augusta where the most dangerous and long continued congestions have taken place. The most serious condition of this kind which has yet arisen there was no doubt the congestion of cotton in the streets of that city during the season which has just passed. It would serve no purpose to go into details here or to consider the individual questions which arose from the unusual conditions, and in all probability the same conditions will exist again in our cotton markets.

After a thorough investigation into the facts, borne out by reports from members of the committee, instructions were issued to the stamping clerk to increase the rate on cotton in the streets of Augusta; but, owing to the failure of companies to support the executive committee in this action, although in many cases there was no question but that a very great additional hazard to property—not only to the cotton storage warehouses, but also to adjacent property—was created, it was found necessary to withdraw the instructions to increase the rate. Your executive committee came to the conclusion that, when it has provided means of keeping the companies constantly informed as to existing conditions, it has done all that can reasonably be expected at its hands.

It is a question for the companies to determine whether the congestion of cotton in the streets of our Southern cotton ports is a menace to adjacent property which calls for any special action by them, either to prevent this accumulation, which it probably will not be possible to accomplish, or to provide for an additional premium to be charged on property exposed by street cotton, and the subject is now referred to you. If, in your wisdom, no action is deemed necessary, the executive committee will probably understand that the companies wil be satisfied to be simply advised of the conditions indicated when they shall arise season after season.

The revision of rates in Augusta, Ga., and Birmingham, Ala., was discussed at some length by the president. Regarding the latter he said that it is to be developed hereafter whether Birmingham will provide the means necessary to carry out the improvements agreed upon between the city authorities and the executive committee of the association so that it may be rated as a city of the first class.

Among other topics in the president's address were the requirements for first class rating by Columbus, Ga., and Montgomery, Ala., the condition of the cotton business, policy form for cotton gins and cottonseed oil mills, schedules for phosphate and fertilizer plants, and rent policy forms. The president said regarding the

NON-CANCELLATION CLAUSE.

Certain of the local agencies in Atlanta, Ga., have for some time been inserting in policies covering on preferred risks—and perhaps on other classes—a non-cancellation clause, reading as follows:

The cancellation clause embraced in lines 51 to 55, inclusive, of this policy, is hereby amended to read as follows:

"This company reserves the right to cancel this contract at any time by giving five days notice of such cancellation. If so cancelled, the premium having been paid, the unearned portion shall be returned on surrender of this policy or last renewal, this company retaining the earned portion at pro rata rates. In case of the actual sale of the entire property herein described, and not otherwise, the assured hereunder shall have the right to cancel this contract, and in which event the company will return the unearned premium for the unexpired time of this policy at pro rata rate, unless this policy is issued for a less term than twelve months, in which event the company is to retain the customary short rate for the time the policy has been in force."

The substitution of the above clause is made by agreement between the company and the assured hereunder, to take effect as of this date, and shall not alter or change the terms, conditions or provisions of such policy in any other respect than as set forth.

The subject has had the consideration of the executive committee at several meetings during the past year, which, in consequence of diverse opinions held by the members, has resulted in no definite action having been taken. As the said clause apparently meets the concurrence of some of our members, while others are decidedly opposed to its use, I have considered it advisable to present the matter at this time in order that all agencies in Atlanta may be placed on a parity, and to suggest that some action thereon be taken by this meeting.

The president recommended that the consequential damage clause in policies covering breweries be dropped, as it had been dispensed with in other sections of the country. The labors of the Committee of Twenty of the National Board of Fire Underwriters were highly eulogized. Concerning the requests for rates from local agents the president said:

The local board system of the association, while it is no doubt the best that can be devised for the purpose, is more or less deficient and unsatisfactory in its workings. In some places the local secretary is indifferent and neglectful, causing delays in the getting out of rates from the association office, while in many places local agents ignore or overlook the existence of a local

board or local secretary, and present their requests for rates and rate changes direct to the association. The secretary is obliged to turn back such requests and demand that they be presented through the proper channel, which is the local board. In other cases, again, the local secretary is charged with making requests and reporting matters without the knowledge or concurrence of his associates, and while it would be desirable to have joint or unanimous requests from the agents, it is plainly impossible to enforce such a rule; so the committee, therefore, adopted the rule just quoted as being the most practicable and nearly perfect which can be devised. This subject is presented, not with the hope that any better plan can be evolved than the present local board rules, but mainly to indicate to the companies the difficulties under which the association office labors at certain times, and that they may also understand how impossible it is to give perfect satisfaction in all cases where a system which is in itself imperfect furnishes the only method of procedure. If any improvement upon the present system can be suggested, it is needless to say the executive committee and the secretary will be most thankful therefor.

VIOLATIONS OF RATES.

Quoting the resolution adopted at the last annual meeting that "upon the failure of companies charged with violation of rates or rules to correct same within sixty days from date of notice thereof, such companies shall be tried under the rules provided for in the constitution of the association," the president said:

That resolution was the outcome of a statement from the secretary, upon which was based an item in President Chapin's address under the head of "North Carolina." Judging by what the secretary has recently informed me, there is probably but very little improvement in the matter of violations as recorded at certain of the stamping offices. It is a fact not to be denied that the stamping clerks, at least some of them, are prone to be overzealous in exacting rigid conformity to rules on the part of the agents and the companies. In order to avoid as much as possible the friction which this very thorough surveillance by the stamping clerks engenders, the secretary has authorized the stamping clerks at the points where such violations are recorded to use more discretion and put the agents and the companies to as little trouble as possible in connection with the correction of errors in forms and clauses. Of course the stamping clerks cannot, with any propriety or expectation of being upheld, waive any material delinquency on the part of agents in the matter of rates, though published rates must be maintained unless special concession is made by the executive committee.

The companies will all realize how difficult it is for the stamping clerk to steer a happy medium course in these matters, and it may be that a goodly number of the violation charges which are outstanding are of a more or less trivial nature. The secretary in his correspondence is endeavoring to keep down the friction, but it still behooves the companies to see to it that their agents do not depart in any material or important manner from a strict observance of rates and rules.

The forms and clauses, which are promulgated from the association office and under direction of the executive committee, are the outgrowth of the experience of companies and of the demands made by them upon the association. If they will not require their agents to maintain the rules for which they themselves are primarily and essentially responsible, it would be better in my judgment to relax our rules where they appear, from the effort to apply them, to be too restrictive, and in place of them to provide rules which can be enforced, as nothing is more demoralizing to an association of this kind than to promulgate rules which the members do not observe. One difficulty in the way of carrying out the rules is to be found in the fact that some companies are themselves very rigid in the enforcement of rules and demand the same of the association officials, while on the other hand there are a number of companies which are lax in these matters and are disposed to seemingly uphold their agents very often in their remissness. What should be aimed at is the elimination of friction between stamping offices on the one part and agents and assured on the other.

The stamping office system is undoubtedly one of the most important departments of the association work, if not indeed the most valuable, and I do not hesitate to express the belief that there is not a stamping office maintained by the association which the agents reporting to it would have dispensed with, if the question of so doing was presented to them. They appreciate the value of the system to them, but many of them are disposed to be restive when held up to too close an observance of requirements, as they look at it from their point of view. I have thought it well to go into this subject somewhat lengthily because of complaints which are made against the stamping offices and the stamping clerks.

It is just as well to remember that a great deal is demanded of these offices, and it is almost impossible to conduct them without incurring the displeasure of some. If the association considers this subject worthy of its consideration, I think it is simply incumbent upon this meeting to say whether the stamping offices shall continue to insist substantially upon a strict adherence to rules and whether the members of the association and their special agents will sustain them in this course.

The president concluded his address by complimentary allusions to the services of the chief electrician, Mr. Shoen; the secretary, Mr. Fleming; the assistant secretary, Mr. McFadden, in charge of the inspection department, and the members of the executive committee of the association.

Much applause followed the conclusion of the address.

At the close of President Dexter's remarks C. H. Coffin, assistant secretary of the German-American, following a long established custom, moved that the recommendations of the president be referrred to a committee of twenty-five to be appointed by the chair.

THE COMMITTEE OF TWENTY-FIVE.

President Dexter announced the makeup of the committee as follows: Charles H. Coffin, assistant secretary German-American, chairman; C. F. Low, Liverpool and London and Globe; R. H. Rees, Ætna; S. Y. Tupper, Queen; E. H. A. Correa, Home; H. T. Alley, London Assurance; H. C. Stockdell, Phenix of Brooklyn; H. B. Anthony, Norwich Union; Thomas Egleston, Hartford Fire; Edward Milligan, Phœnix of Hartford; Robert Lecky, Jr., Virginia State; W. E. Chapin, Fire Association; M. L. Hewes, Scottish Union and National; C. J. Holman, Commercial Union; E. S. Gay, Insurance Company of North America; H. G. McIlwaine, Jr., London and Lancashire; J. H. McCord, Hanover; Milton Dargan, Royal; Frank Lock, Atlas; B. R. Stillman, National Fire of Hartford; J. F. Hastings, North British and Mercantile; E. S. Wilson, Fireman's Fund; John H. Stoddard, New York Underwriters; A. B. Andrews, Sun of London; George W. Dewey, Niagara Fire.

On motion of Capt. E. S. Gay, it was voted to adjourn the meeting of the association until 10 o'clock a. m. Thursday. Before the members dispersed Chairman Coffin announced that the committee of twenty-five would convene at 3 o'clock.

PROCEEDINGS OF THE COMMITTEE.

The committee of twenty-five went into session at 3:30 o'clock p. m., all but three members being present when called to order. In view of the presence of local agency representatives it was voted to take up those sections of the president's address referring to Georgia and North Carolina, and to hear the delegates from the local associations.

Mr. C. C. Hatcher, of Georgia, presented a somewhat disconnected argument for a commission of 10 per cent., with a 20 per cent. contingent arrangement. The agents made no demands, he said, but desired to go on record.

He was followed by Mr. F. G. Lumpkin, of Columbus, Ga., who said that he had always represented 15 per cent. companies. He was opposed to separation, and was present to offer a substitute for inimical legislation. His suggestion was that all agents be placed upon a flat commission platform, and penalized for rebating by having their commissions permanently reduced, this being to discriminate between the straight and double dealing agents. The companies should realize that the agents are their friends and do not wish to increase the expenses of the former. What they do want is to have long and faithful service properly recognized and protected.

Mr. Lumpkin's remarks were warmly applauded.

Col. Walker Taylor, of Wilmington, N. C., was the next speaker, and presented a copy of a resolution signed by about 50 per cent. of the agents of his State, and representing over 75 per cent. of the premiums, to the effect that their agencies will hereafter be conducted on a 15 per cent. basis, and that

they will not accept from any company, directly or indirectly, a greater rate of compensation. The agents of his State do not want separation. They believe in the South Eastern Tariff Association and want it maintained. In view of the above evidence of good faith, Colonel Taylor asked the association not to take any action regarding the question of separation so far as his State is concerned, but to leave the situation in the hands of the local agents. The agents prefer to take less commission and to have a tariff association maintained.

The president's address was then taken up by sections, the first matter being the reference to the death of Col. W. C. Nelson, and Mr. Egleston moved that the president appoint a committee of three to draft appropriate resolutions, which motion was carried. Mr. Egleston moved the acceptance of the definition concerning co-operating companies, in the president's address, as the rule of the association. Under a misapprehension Mr. Correa, of the Home, assumed that this was to be a vote on the question of separation, but accepted Mr. Egleston's explanation that it did not commit the association. Mr. Egleston's motion was carried.

Virginia Department Office.—Mr. Gay moved the approval of the recommendation, subject to the approval of the incoming executive committee. Carried.

The recommendations regarding Florida hotels were approved.

Cotton Congestion in City Streets.—Mr. Clarence Low, of New Orleans, urged that the executive committee do all in its power to lessen this great conflagration hazard.

Mr. M. Linn Hewes, of the Hartford Fire, scored the "cotton form committee," and ridiculed its patent forms, which he claimed deprived the companies of proper income.

Captain Gay was most emphatic on the subject, and suggested increasing rates on exposed property to a point where the abuse will be done away with. The paragraph was accepted.

Birmingham.—Mr. Low, of New Orleans, recalled the bad record of the city and the persistent bad faith on the part of the city officials. Without wishing to disregard the wishes of the president he suggested that the chair appoint a special committee to consider the subject and report at a later session. This was carried.

Cotton Gins.—Mr. Egleston explained that the need for the committee was over, and moved that it be discontinued, which was carried.

The Non-Cancellation Clause.—On this paragraph a heated discussion broke out, led by Messrs. Hewes and Gay. Mr. Hewes contended strongly for the standard form of clause, which he explained had been drawn up with great care by competent authorities, under the best legal advice.

Mr. Gay argued that the proposed amendment would work for the protection of the agent in case of rate wars, and finally moved that the amended clause be permitted in the discretion of the companies, except on cotton and storage risks.

Mr. Hewes was of the opinion that if an insured wanted to cancel his policy he was going to do it, and could not be prevented. He considered the idea of excepting certain classes of business absurd, and was strongly opposed to the new patent form suggested.

Mr. Hewes was sustained by Mr. Egleston, who said that it was one of the unwritten rules of the association that the assured should be permitted to cancel at short rates if he wanted to.

Mr. Correa also sustained Mr. Hewes, and cited decisions of the courts in California, Idaho and other Western States, holding that both parties to a contract shall have equal privileges.

Mr. Hewes' motion finally prevailed, it being voted as the sense of the committee that no change be made in the standard form.

The consequential damage clause was next taken up, and practically without discussion it was voted, following established precedents, to eliminate the charge for the consequential hazard as regards breweries.

The taking up of the question of special agents and inspections precipitated a hot debate, participated in by Messrs. Stockdell, Gay, Low, Holman and Hewes. Captain Gay complained of the results obtained, and considered the cost exorbitant. Others complimented the work highly, but did not commit themselves regarding the expense feature. A motion introduced by Mr. Stockdell finally prevailed, which was to the effect that the incoming president appoint a committee of seven made up of representatives of leading companies to consider the entire subject and report to the executive committee, which will take action if necessary.

At this point the session was adjourned until 10 o'clock a. m. Thursday.

SECOND DAY'S PROCEEDINGS.

Old Point Comfort, Va., May 25.—The committee of twenty-five met shortly after 10 o'clock this morning, the session being largely attended.

Secretary Fleming's report as printed was accepted. He reported the expenses during the fiscal year as $165,456.52, being an increase over the previous year of $20,163.03. The principal increase was in the cost of stamping offices, which are nineteen in number. At the present time eight special agents and three fire inspectors are employed by the association. A tabular statement of the work done by the association during the year was embraced in the report.

Mr. Milton Dargan presented an important majority report by the cotton committee. It said that control for association companies during the past season of the liability of railroad companies on cotton at all compresses within the jurisdiction of the association had been held except in two or three instances, where terms offered by competitors were so very low as to cause a refusal to compete. It has been found necessary in Louisiana, Mississippi, Arkansas, Texas, Oklahoma, Indian Territory and Tennessee to use forms similar to that prepared by the committee in order to hold the business against the competition of Eastern brokers. This form is in use, therefore, through the South excepting Memphis, and a committee of the Western Union has been in conference with the Memphis Exchange with reference to its use there. It will probably be adopted by the Memphis Exchange next season. There has been some criticism of the committee for adopting this form for compresses, but the general opinion now is that it could not have been avoided without absolute loss of business to agents, and the committee is glad to say that its action seems to have been correct. Continuing, the report said:

We have preserved for the association companies some few buyers' contracts, but have been able to make no marked progress in regaining the bulk of business now written by marine companies. The committee is gradually collecting such data and information, however, as will eventually, we hope, lead to the suggestion of some plan whereby this business may be regained by co-operation with the marine companies, if that be possible, or by competition with them, if this course should prove necessary.

We suggest, therefore, the continuance of the permanent cotton committee, with the recommendation that not more than three members be changed each year, thus insuring four holdover members. This will give continuity of experience to the committee as a whole. It is necessary in all permanent committees of voluntary associations of this character.

The above was concurred in by all the members of the committee except Mr. Chapin, whose minority report was as follows:

As a minority report of the permanent cotton committee, I recommend that the committee be discontinued, and that the executive committee be instructed to prepare such forms as in its judgment are necessary for the insurance of cotton by the bale, and no form shall be authorized until approved of by the executive committee and promulgated by the secretary of the association, and that the executive committee be requested to review

schedules of cotton rates in the general tariff, making such changes in the same as are justified by present conditions.

Mr. Rees moved the adoption of the majority report, but the minority report took precedence. Mr. Chapin defended his report in an energetic speech, and was seconded by Mr. Anthony.

Mr. Gay paid a high tribute to Chairman Dargan and Mr. Hewes. He favored leaving the matter with the executive committee, and did not believe in special legislation. Mr. Rees referred to Mr. Hewes as a high authority on forms, but said that his arguments on the subject under discussion were twenty years behind the times. He favored the maintenance of the committee, which provided up to date methods for meeting competition and protecting the agents.

Mr. Correa spoke of the great necessity for quick action, and said that the machinery of the executive committee was too ponderous. The special committee was the only way to meet the competition of the marine companies and brokers, and should be continued.

Mr. Wilson, answering the intimation that members of the committee had advantages over others, said that four of the seven members had never written any cotton business, and did not care for it.

Mr. Hamilton Yancey, speaking as a local agent, endorsed the committee and urged its continuance.

Mr. Cook explained that modern conditions demanded a special committee, with rotating membership, and Mr. Low also endorsed the idea of continuing the committee.

By a decisive vote Mr. Dargan's majority report was approved and the minority report defeated.

Mr. Egleston moved that the president be requested to appoint a committee of seven to investigate mutual competition in the sprinkled business in the South and that the executive committee be empowered to take proper action to protect members. Carried.

Mr. Egleston also moved the adoption of the cotton oil mills recommendation, as printed in the address, which was carried.

At the afternoon session Mr. Correa reported for the committee on the Georgia matter that while in sympathy with the agents the association was not in position to act. Mr. Rees reported in reference to Birmingham that under the circumstances no action by this committee was advisable. The matter should be referred to the executive committee, with power to bring about the improvements within a reasonable time. Mr. Alley took exception to the report, but it was adopted. The committee then adjourned.

THE COMMITTEE REPORTS.

The association reassembled at 3 o'clock to receive the report of the committee of twenty-five. The various conclusions reached by the committee were presented to the association. [These included recommendations that no action be taken on subjects to which allusion is not made in our report for want of space.—Ed.]

Under the head of new business the committee presented the following resolutions:

"Mutual Competition and Sprinkled Risks.—Resolved, that the president be requested to appoint a committee of seven which shall thoroughly investigate the existing conditions regarding mutual competition and the growth of the sprinkled risk business in the South, and report as soon as practicable the results of its investigations to the executive committee, together with recommendations as to the measures necessary to secure and hold the business from competitors. Further that the executive committee be empowered to take such action in the premises as may seem proper, in view of all the conditions and circumstances.

"The Royal Insurance Company.—Resolved, that the president be requested to communicate with the acting manager of the company for the purpose of securing, if possible, the full membership of the company in the association for Virginia and North Carolina.

"Gasoline Storage.—Resolved, that the executive committee instruct all special agents of the association in rating towns to investigate and report where gasoline is stored, and that the executive committee take into consideration what action is necessary to limit or cure the evil, either by rate or otherwise."

The report of the committee of twenty-five was considered and adopted by sections, practically without discussion, except on the non-cancellation clause. Mr. Dargan proposed a substitute, leaving part of the clause discretionary with the executive committee. This started Mr. Hewes all over again, and he made a gallant fight for the New York standard policy, which he maintained should not be tampered with. Mr. Gay seconded Mr. Dargan's substitute, contending that the standard form had been frequently changed where there have been rate troubles. Mr. Yancey, special agent of the Commercial Union, and Mr. Lock, of the Atlas, also endorsed Messrs. Dargan and Gay's arguments. Mr. Rees, of the Ætna, came sturdily to the rescue of the standard form, making a brief but effective argument.

The vote was called for and the Dargan substitute was defeated, the report of the committee prevailing. The committee's report was then adopted as a whole without further discussion.

It was next voted to allow the committee appointed to draft a resolution on the death of Colonel Nelson to report to the secretary, so that the resolution can be made a part of the records.

Mr. J. S. Middleton, of the Ætna, chairman of the special South Carolina committee, presented an exhaustive report portraying conditions in that State, and asked that the committee be discharged, which was agreed to.

An amendment to the constitution and bylaws, as proposed by the president, and which would bar the association from Mississippi, was by vote laid on the table, and an invitation from Chief Joyner, of Atlanta, that the association send a delegate to the next meeting of fire chiefs at Duluth was referred to the president.

The administration was strongly endorsed by the re-election of the old officers without change, the highest praise being accorded them in the nomination speeches. They are George J. Dexter, president; A. B. Andrews, vice president, and Charles C. Fleming, secretary. Members of executive committee are: W. D. Doane, Atlanta Home; Dan. B. Harris, Insurance Company of North America; F. M. Mikell, Royal; W. F. Pattillo, Hamburg-Bremen; J. A. Perdue, Citizens; W. R. Prescott, Queen; John H. Haine, Atlas, and J. Frank Stockdell, Phenix of Brooklyn.

The association members are: For Alabama, F. O. Hawkins; Florida, John H. Norton; Georgia, Edgar S. Wilson; North Carolina, H. S. Nulton; South Carolina, Ben J. Smith; Virginia, Charles E. Wortham, Jr.

Of the above four of the resident and three of the associate members were not on last year's committee.

After the election of officers the association adjourned.

The Arkansas Anti-Trust Law—Decision of the Lower Court Against the Hartford Fire.

In the Circuit Court at Little Rock, Ark., on Tuesday Judge Winfield rendered a decision in the suit against the Hartford Fire insurance company, for violation of the anti-trust law, in favor of the validity of the law. The full text of the decision is as follows:

The complaint charges, the answer admits, that the Hartford insurance company, "while belonging to a pool, trust, etc., elsewhere to fix prices elsewhere, was conducting an insurance business in Arkansas." It is contended that the gist of the

offense is the belonging to a pool, trust, etc., and that the courts of Arkansas have no jurisdiction to punish such an act committed beyond the State, not affecting rates in the State. Taking the history of the law into consideration, the act of 1899, the decisions of the Supreme Court in the 66th Ark., and the act itself, it cannot be doubted that the plain intention of the Legislature is to punish the corporation for doing business in Arkansas while a member of a pool, trust, etc., anywhere. Is the language of the act sufficient to carry out this intention? We think it is. Both elements, "conducting business" and "belonging to a pool, trust," etc., are described. It takes both of these elements to constitute the offense. The defendant admits by its answer that it is guilty of both. We deem it unnecessary to comment upon the other questions so ably presented in the argument. The demurrer will be sustained.

Counsel for the State on Wednesday filed a suit in the Pulaski Circuit Court against the Hartford Fire for $290,000, penalties for violation of the anti-trust law. The maximum penalty imposed by the act of $5,000 per day is asked by the State. The law went into effect March 28, and the suit is to recover for each day's business since that time.

The Little Rock *Gazette* of Wednesday says:

Judge J. W. House, counsel for the Hartford, stated yesterday that the case would be appealed immediately to the Supreme Court, where the entire question would be reviewed. "The whole question of the constitutionality of the act will be brought up in the proceedings before the Supreme Court," he said. "In view of the importance of securing an early decision, I anticipate that the case will be advanced and taken up within a very short time. I think the whole matter will be disposed of within a month.'

Col. W. L. Terry, who, together with Prosecuting Attorney Rhoton and W. M. Lewis, is associated with Attorney General Rogers in the prosecution of the anti-trust suits, said last night: "The court adopted our views, and of course we were well satisfied with the outcome of the proceedings in the lower court. The case will be appealed at once, and as all parties involved are desirous of securing an early decision, I believe that the case can be advanced so that final action by the Supreme Court can be secured within three weeks or a month. Of course the insurance companies are more directly interested in getting an early decision, but it is of importance to all business men and other citizens to have the matter settled, so that they may know what the conditions are to be in the future."

NATIONAL FIRE PROTECTION ASSOCIATION—NINTH ANNUAL MEETING.

The ninth annual meeting of the National Fire Protection Association was held in the rooms of the New York Board of Fire Underwriters on Tuesday, Wednesday and Thursday of this week. President Charles A. Hexamer occupied the chair, and about 200 delegates, representing thirty-six affiliated associations, were present.

PRESIDENT'S ADDRESS.

President Hexamer delivered an address, in the course of which he said:

GENTLEMEN—The annual convention of this association now in session marks an epoch in the history of the National Fire Protection Association. The amendment to the constitution and bylaws providing for an extended scope of the work of the association and for an enlarged and more representative active membership has had the desired result. An increase of twelve in the number of active members and of 150 in the number of associate members, and a subscribing membership list of 150, are directly traceable to amendments of the constitution. The association can now be considered truly a "national" association, and the standards prepared by the association should be known as "national standards."

Under the authority of the National Board of Fire Underwriters rules, regulations and standards of new subjects have been promulgated. The pleasant relations with the National Board have continued, and I am assured that the work of the association continues to meet the approval of that body. The compiling of the sprinkler fire record continues under the supervision of the committee on special hazards. This committee has also inaugurated a system of reports of fires in unsprinklered manufacturing risks. Fully recognizing the truth of the saying that the first step in the study of fire prevention is the study of fires and their causes, the value of comprehensive reports on fires cannot be overestimated. I trust that the membership, both active and associate, will take an interest in the matter and send in reports to the committee as freely as possible. I am pleased to report that no great calamity or extensive conflagration, such as was prominently before us at our last annual convention, occurred during the year.

The present convention is the ninth in the history of the National Fire Protection Association. When, nine years ago, the first convention was held in this very room, the proceedings consisted in the reading of the report of the executive committee and secretary, which latter report at that time, and for some years later, contained the compilation of sprinkler fires. Five papers on various subjects completed the proceedings, which were subsequently published in a pamphlet of about fifty pages. Last year's convention, also held in this room, extended over a period of three days, and the proceedings published filled a book of nearly 300 pages. This year's convention cannot fail to be of equal importance, and will most likely, due to the increased active membership list, greatly exceed in importance our last year's work. The importance of the work of the association in the line of good practice in construction and protection, with the thought of safeguarding of life and property always in view, cannot be overestimated. All of you are giving your best thought unreservedly to this work in the interest of the public toward the ultimate end of reducing the enormous annual fire waste of the country. "Pro bono publico" would be a very fitting motto for this association.

REPORT OF THE EXECUTIVE COMMITTEE.

Chairman Everett U. Crosby, of the executive committee, read its report, which was in part as follows:

The growth of this association, which has been so uniform since organization, has continued in a steady manner during the past twelve months. We attribute this to the fact that our membership is broad and representative. Our work has been confined to a consideration of the subjects of chief importance before us from time to time, and our findings have been of material assistance to those engaged in fire prevention. Our best wish for the association in the future is that it may continue to develop along these same lines and earn a position as one of the chief factors in the reduction of fire cost.

All evidence points to this country being on the threshold of a serious investigation of fire causes, and many trade and manufacturers' associations are awake to the need of giving serious attention to this subject. All are beginning to appreciate that to accomplish the desired ends work must be begun at home, and the unnecessary defects and hazards of individual fire risks eliminated or reduced to a minimum. No form of insurance constitutes a panacea for such ills. The individual or the trade or manufacturers' association has not the experience on which to develop the best fire protection engineering or fire statistics. Our association, however, with its organized membership in all parts of the country constantly studying this problem, should be able to provide just the information desired.

We have, therefore, to suggest a future broadening of our sphere of influence by direct co-operation with such organizations. In fact, where such trade and manufacturers' interests have national associations we wish to cordially invite their joining in our movement as active members, and that individuals affiliated with them be welcomed to associate membership. * *

While, therefore, our growth and work during the past year may be regarded with fair satisfaction, we wish to point out that we are as yet at the beginning of our labors. Unlimited fields of usefulness spread out before us. Fire protection in its broadest sense means something to everyone, and all interests should here in our association find common meeting place for united effort, where we are not disturbed by the conflicting influences of commercialism.

The secretary and treasurer, W. H. Merrill, Jr., reported that the association had fifty active and 592 associate members, and that the funds of the organization were in a quite comfortable condition.

The convention took up the reports of the various special committees, and in the three days' sessions they were read and discussed. A list of these topics is as follows:

Special Hazards and Fire Record.
Installation of Automatic Sprinkler Equipments.
Fireproof Construction.
Electric Fire Pumps.
Standard Thread for Fire Hose Couplings.
Car Barns.
Private Fire Service Connections to Public Water Supplies.
Devices and Materials.

High Pressure Systems for Fire Service.
Steam Fire Pumps.
Hose and Hydrants.
Specifications for the Construction of Oil Rooms.
Rotary and Centrifugal Fire Pumps.
Indicator Gate and Check Valves.
Factory Standards.
Cement for Building Construction.
Theatre Construction and Equipment.
Uniformity of Requirements.
Fire Protecting Coverings for Window and Door Openings.
Signaling Systems.
Steam Pump Regulators and Auxiliary Pumps.
Investigation of the Value of the Steam Jet as an Extinguishing Agent.

The committee on special hazards and fire record said of "sprinkler fires":

Probably no branch of the association work is more valuable to the field man, fire protection engineer or insurance underwriter than the sprinkler fire record, with its varied tabulations, showing the results actually accomplished by sprinklers in practice.

The statistics cover many interesting features, such as reasons for severe fires in sprinklered risks (improperly called sprinkler failures), and we present this record with a feeling that the labor of compiling it was time well spent, and that it must prove valuable to all those interested in the protection of property against fire.

We had reported during the past year 674 fires in sprinklered risks, and of these fires 632 were handled successfully by the sprinklers—that is, fire either extinguished by the sprinklers or properly held in check so as to allow of easy extinguishment by such outside aid as was at hand.

In forty-three cases, or about 7 per cent., the sprinklers were unsuccessful in holding the fire, and we give below a record of those fires, together with the probable cause to which the unsatisfactory results are attributed.

Causes for these failures were, among others, "failed to open," "generally defective equipment," "sprinkler shut off owing to a frozen fitting," "pump pressure not put on sprinkler," "too many hose streams used, which robbed sprinklers of their supply," "automatic pump broke down," "old style sprinkler probably slow in acting," "defective town water gave very light pressure."

The committee on high pressure systems for fire service, after commending them, made the following recommendations:

A high pressure system must of itself, without the intervention of steam fire engines, at all times be capable of furnishing a supply of water adequate both in volume and pressure for the local needs and uses.

Such a service shall be comprehensive enough to supply hose streams used within a building, either those brought in by the fire department, or attached to standpipes; also automatic sprinkler systems; hose streams directed from the ground without the building which is on fire, whether held by hand or by mechanical attachments and whether stationary or portable; it shall also properly serve outside streams directed from metal standpipes, roof hydrants, water towers and exposure sprinklers.

Aside from such exceptionally large discharge orifices which might be employed on water towers, we suggest for general hose stream use smooth bore nozzles of 1¼ to 2 inches diameter, hose of not less than 3 inches diameter for street use; hydrants frequently enough located so that all of the water required at any one building can be there discharged without the use of hose lines longer than 400 feet. The hydrants to be used for this purpose should all be located within 250 to 300 feet of the building to be protected.

We suggest 100 feet above grade be considered the maximum height for which full public fire service need be provided; that buildings exceeding this height be required to have non-flammable construction or occupancy, or equipped with automatic sprinklers and other fire appliances, provided by proper independent water supplies.

Maximum pressures in the street main necessary for such services vary from 100 pounds to 225 pounds, and must be provided for.

Devices for holding the nozzles of semi-portable hose streams are advised.

The development of outside standpipe service along the lines indicated is strongly urged.

The required capacity of the water supplies at the pressures indicated should range according to conditions in individual cities from 7,500 gallons to 20,000 gallons per minute for local fires, and 50 to 100 per cent. additional for conflagration fires; these quantities to be provided for not less than thirty-six hours' constant service.

We deem such systems practicable, of decided advantage for certain places, and recommend their introduction.

The following officers and executive committee were elected for the ensuing year: President, C. A. Hexamer; vice president, William A. Anderson; secretary and treasurer, W. J. Merrill, Jr. Executive committee, Everett U. Crosby, chairman; Albert Blauvelt, F. E. Cabot, H. H. Glidden, C. M. Goddard, H. C. Henley, F. J. McFadden, H. L. Phillips, Herbert Wilmerding, Alfred Stone, H. E. Hess, C. H. Phinney, C. H. Campbell and E. B. Creighton.

Centennial of the Caledonian Insurance Company.

On May 3, 1805, the Caledonian insurance company was founded in Edinburgh. The event was celebrated by a dinner in the Caledonian Railway Hotel in that city on May 4, 1905, at which the chairman of the board of directors, Hon. E. C. Buller Elphinstone, presided over a company of a hundred gentlemen. Many distinguished persons were present in addition to the company's representatives, and Mr. Charles H. Post, the United States manager, and Mr. Lansing Lewis, the Canadian manager, appeared for their respective countries.

In response to the first of the after dinner toasts, following the usual patriotic toasts, the sentiment being the Caledonian insurance company, the chairman spoke at some length. The following interesting reminiscences of the company's century are extracts:

The Caledonian insurance company was started in Edinburgh in 1805, a year made illustrious in Edinburgh by another event in a different sphere of human activity—the publication of the "Lay of the Last Minstrel."

Like many a river which, taking its rise in a remote and scarcely noticed spring, sweeps at last in imposing volume through the plain, communicating its fertility and power to the surrounding country, so this company, which now occupies a great and honored position in the insurance world, had a small and unnoticed beginning. It was originated at a meeting held in Edinburgh on May 3, 1805, described in its minute as a "Meeting of the friends to a new insurance company," when it was resolved to form a company for fire insurance under the denomination of "The Caledonian Insurance Company," with a capital of £100,000 in shares of £100 each. The subscription list at the end of the minute contains some well known Edinburgh names—Mr. John Campbell, W. S., chairman of the meeting; Mr. Scott Moncrieff, Sir Henry Raeburn of St. Bernards, and others. The necessary contract of copartnery was prepared and was subscribed by 222 persons, twelve directors were appointed, and shortly after Whitsunday the company commenced business at 7 Hunter square, under the managership of Mr. William Braidwood. In the following year it removed to a first flat in the South Bridge, in 1811 to Bank street, and to George street in 1840; subsequent to which date the offices it now occupies, and which were added to this year, were erected.

The caution with which the originators of the company proceeded appears in many ways. At the outset they decided that the limit of the risks taken should be £3,000, which in 1809 was raised to £6,000 on non-hazardous risks, but remained at the former figures for hazardous ones. The promoters evidently determined that the field they cultivated should be one with which they themselves were familiar, and whose risks they could estimate; for not only did they decide that no foreign risks should be taken, but they apparently regarded everything outside of Edinburgh, or at all events outside of Scotland, as foreign, as it was not till 1813 that they resolved to establish agencies in England. Ireland was not invaded till 1834, when a branch was opened in Dublin; but the Irish occupation was of short duration, as the Irish fire department was closed in 1841; only to be reopened, however, at a later date, with better results. The extension of business to the colonies was considered as far back as 1859, when an application to the company to establish a branch in Canada was considered but declined; and it was not till 1883 that the Canadian field was entered upon, by the appointment of agents in Montreal, now under the charge of the Canadian manager, Mr. Lansing Lewis, who was appointed manager in 1891.

The first venture in the purely foreign field was made in 1877, when it was agreed to take the place of the Scottish Fire Office

in the arrangement which that company had with the Northern for transacting business in Helsingfors. An office for the transaction of business was opened in Paris, in conjunction with the Scottish Union and National, in 1878, but given up again in 1881, when the directors minuted that colonial and foreign business was to be cultivated carefully. When the company was formed the United States of America could hardly have been looked upon as a possible field, even had foreign business been desired, for we had only shortly before emerged from war with the States, and were very shortly plunged into it again. Besides that, it must have been pursued under difficulties, as it was not for many years after 1805 that the first steamer crossed the Atlantic; so that if the company had possessed a branch in the States at that early stage, a huge conflagration might have swamped the company, and the catastrophe might not have been known for months. In 1878 the directors passed a resolution declining to open business in the United States; but in 1885 an important commercial firm in San Francisco was appointed agent for the company, for business on the Pacific Coast, and in 1890 business in the United States was definitely embarked on by the appointment of Mr. Brown, of Philadelphia, as manager for the company in the States other than the Pacific Coast. At a later period business was carried on in conjunction with the Niagara, an American company, and ultimately, in July, 1894, Mr. Charles Henderson Post was appointed the company's general manager in the United States, under whose enterprising and successful management this branch, established in a handsome office erected in New York in 1899, now forms an important source of the company's large fire revenue.

This reference to the United States suggests conflagrations, but in the early days of fire insurance conflagrations were not unknown in our home experience. In the year 1824-5 I find it recorded in the minutes that the company's loss in that year was nearly equal to the losses of seven ordinary years, and in consequence no dividend was declared. This, it may be mentioned, was the year of the great fire in the Old Town of Edinburgh, when one side of the High street, from Parliament square to the Tron Church, was swept away, and the spire of that venerable structure demolished. The inability of the insurance companies' fire engines to cope with this conflagration led to the formation of a fire extinguishing service by the police commissioners, to whom in that year the company handed over its fire engine. This was the origin in Edinburgh of the fire brigade, that most important institution in modern city life.

This cautious policy of the founders of the company was not confined to the fields in which they did business, but extended also to the class of risks to be taken, as there are frequent notices in the minutes of the board's decision to have nothing to do with cotton mills or warehouses adjoining them, flax mills, and other like risks; and the then directors appear to have had a wholesome dread of the new illuminant, gas, which in 1818 was probably regarded by insurance companies with more dread than electric lighting now, for in that year it was resolved to decline to insure properties in which gas meters were placed, unless with a clause for non-liability for loss by explosion. They had no doubt some reason for this, for fires arising through gas explosion appear to have been not uncommon, and in 1821 the directors decided that, while they must pay for fire loss resulting from gas explosion, the company was not liable for damage directly due to the explosion itself, a distinction fully recognized by legal decision, but which insurance companies do not now take advantage of.

All this shows that fire insurance a hundred years ago was in its infancy, and so apparently were fire extinguishing appliances. The company, in the year in which it was started, ordered a fire engine, which apparently in those days was an essential part of the equipment of a fire office. It was called out by an alarm bell on the Castle Hill. Had the company's insurances been on this side of the imperfectly drained Nor' Loch, fires would probably have burned themselves out before the company's fire engine could have wakened up and found its way to this part of the town. But there was little of the New Town of Edinburgh in existence in 1805, and the company's insurances were no doubt confined at first to what we now term the Old Town. It would be interesting to know what time was required in those days to bring the fire engine to the spot when a fire occurred. It would present a remarkable contrast to what we are familiar with now, when the fire engines, at any hour of the day or night, start out at a gallop, completely equipped, within a minute of the intimation of a fire. * *

The company seems from the first to have been fortunate in its managers. The first manager, appointed on June 4, 1805, was, as already mentioned, Mr. William Braidwood, who continued sole manager until, on his health failing, Mr. Henry David Dickie, son of the first secretary, was appointed joint manager with him. The latter gentleman was appointed sole manager on the death of Mr. Braidwood on October 30, 1830. According to a contemporary notice of Mr. Braidwood as manager of the company, it appears that for upward of forty years he was one of the pastors of the Baptist congregation in the Pleasance, and author of several valuable religious publications; and, as a further interesting fact, it may be mentioned that he was the uncle of Mr. James Braidwood, the superintendent of the Edinburgh Fire Brigade, who, after serving for some time in that capacity, was appointed superintendent of the Fire Brigade in London, where he revolutionized and virtually created the modern system of this important service, losing his life when directing operations at the great Tooley street fire in 1861. Mr. Dickie continued to be manager of the company till his resignation at the age of seventy-two, after fifty years' service, when Mr. John Moinet was in 1861 appointed his successor; and, on the retirement of Mr. Moinet in 1874, Mr. David Deuchar, who had previously been on the staff of the company for a time, was appointed manager, and continued to hold that office till his lamented death on November 6, 1904, when Mr. R. Chapman, the present manager, was appointed his successor.

The chairman also spoke of the life insurance branch of the company's business, which was started in later years.

In the course of his remarks Mr. W. Stuart Fraser, law agent, one of the directors, made the following reference to the United States branch:

But there is one branch of the company's business which I cannot omit to mention, the United States branch, carried on under the able management of Mr. Post, whom we are glad to have with us tonight. I have known Mr. Post from the time the American branch was established under his charge, and having seen him both here and in his own country I can speak with knowledge of his ability and excellent methods. I had the pleasure five years ago of visiting the States along with some of the other directors and the late manager—one of the most enjoyable trips I ever made, and where, and in Canada through Mr. Lansing Lewis, I met with an amount of hospitality and attention I can never forget—when, as we were personally conducted through the States by Mr. Post, I was much impressed by his organizing power, the number of men of high standing he had gathered around him as agents, and the cordial relations which subsisted between him and them. I remember well the feelings of hesitation with which the board entered upon the American field. Other offices had gone there and competition in the home field was becoming severe, but at the same time they felt that the venture was attended with risk. This was forcibly brought to my recollection a few days ago, when I came across some lines which I penned one day at the board table—some such parody as the following on a well known stanza:

Firm and erect the Caledonian stood;
Old was her charter and her business good;
"Cross to the States," bold Kinlochmoidart cried—
She took the voyage and her profits died.

This very nearly represents the feelings of apprehension which then existed in the minds of some of the directors, but I am glad to think that in penning these lines, if I ever believed in what I wrote, I could not truthfuly say of myself

'Tis the sunset of life gives me mystical lore
And coming events cast their shadows before.

for the event foreshadowed never came, and now, after some fluctuations, the United States branch is one of the most valuable sources of the company's profits.

Mr. Robert Chapman, general manager, in responding to a toast in his honor, said:

This year, under instructions of the directors, I had the privilege of making the acquaintance of each member of our large staff in the United States, and there again I found the exemplification of the old homely Scottish proverb: "As the old cock crows, the young ones learn." I am not going to give you a detailed list of the virtues of our American manager, as he is present tonight, and you know how bashful and retiring all Americans are; but I will say that I found there the same devotion to duty and love of hard work which I had known for many years to characterize Mr. Post, who, and under permission of the chairman, will supplement my few remarks.

Mr. Charles H. Post, the United States manager, confirmed the remarks made by the general manager, paying tribute to the late esteemed general manager, Mr. Deuchar. He expressed his great appreciation of having been invited to attend the celebration, and also the thanks of his entire staff for the generous action taken by the directors in paying the extra salary for the month of May. It would be his aim and that of his co-workers

to appreciate it to the fullest degree by renewed energy and return in substantial business of preferred quality throughout the United States. He was gratified at the appointment of the new general manager, and desired to hold up his hands to the fullest extent. The Caledonian in the United States had been, and should continue to be, a distinctive Scottish corporation, and, as far as lay in him, its long record of honor and integrity should remain untarnished.

We are indebted to the London *Post Magazine* for the report from which we have made the above extracts.

Equitable Life Events This Week

Hot air as usual from the enterprising daily press.

The complaint in the Young suit, started by Senator Brackett, was filed in the Supreme Court in Saratoga County. It charged all kinds of villainy on Vice President Hyde.

A small gathering of alleged policyholders of the Equitable Life, under the manipulation of Bridgeport, Conn., lawyers, organized a "Policyholders' Protective Association," with promises of tremendous results.

The examination of the affairs of the company by the New York State Insurance Department was resumed on Tuesday, and Vice President Tarbell was under examination three days. It was reported that the superintendent, assisted by his counsel, M. E. Driscoll, of Syracuse, questioned Mr. Tarbell on numerous points submitted by H. H. Knowles, former superintendent of agencies, and that the examination was accompanied by considerable friction. To inquiring newspaper reporters Mr. Tarbell has smilingly denied the friction.

Mr. W. F. King, ex-president of the Merchants' Association of New York, has been busily importuning President Roosevelt to undertake a general examination of life insurance conditions in the country. The President has declined the invitation and referred Mr. King to Commissioner Garfield, of the Bureau of Corporations of the Commerce and Labor Department for consolation.

Mr. John D. Crimmins, chairman of the policyholders' mutualization committee, was questioned regarding Federal intervention, and said that it was neither needed nor wanted. He said:

I have implicit faith in the Frick committee. There is no call for the intervention of the President or of the Government. The State and the company are able to take care of the Equitable. It is our duty to wait with patience the report of Superintendent Hendricks and the Frick committee. The committee's findings will be respected. As to the general question, I think that the policyholders in all these companies, the Equitable included, should be protected by every possible means, but the companies should be "mutualized" in the real, true sense of the word. Sooner or later the speculative element has got to be eliminated. If savings banks laws are the best they should be applied.

Rumors of the continued activity of William Nelson Cromwell in trying to bring about a harmonious settlement of inside differences prevailed. It is said that he has a plan for a board of self perpetuating trustees like those of a savings bank in organization and responsibility, which board shall assign to the officers of the society their duties.

The New England protective committee, of which Mr. William Whitman is chairman, issued a circular to policyholders stating that it had been decided to postpone any action until the report on current examinations is concluded.

Interest is generally concentrated on the expected report of the Frick investigating committee to the board of directors at a special meeting to be held next Wednesday, May 31.

LATER.

Just as we are going to press intelligence comes of the decision of Justice Maddox in the New York Supreme Court at Brooklyn in the Franklin B. Lord suit. The decision of the court enjoins the company from carrying out the mutualization plan. Under it no plan of mutualization can be effected until the trial of the action next fall unless a higher court reverses Justice Maddox. The decision is construed as a victory for the Hyde forces. The motion for an injunction is granted with limitations. The court says:

The motion is granted, but limited to the filing and effectuation of such proposed amended charter, for it appears that such contemplated amendment has been adopted and executed by the board of directors.

Fire Insurance as Collateral.

Some elementary principles of fire insurance were set forth by Mr. William B. Sexton, general adjuster of the Fireman's Fund insurance company, in a lecture to the commercial class of the University of California. The following are extracts. After explaining to the students the important relations of fire insurance to commerce and business credits Mr. Sexton said in part:

That insurance corporation ventures have not been all profit is indicated by the fact that of forty-seven companies organized west of the Rocky Mountains, during the last fifty years, with capitals varying from $20,000 in Oregon and Washington up to $2,000,000 gold coin paid up, in San Francisco, only two are doing business now, and they live because they are doing business from Eastport, Me., to Manila, Luzon.

The idea of the average outsider is that insurance means taking a man's money, handing him a policy endorsed "Void in case of fire," and then cheating him out of his loss. This idea, I can assure you, is not correct.

The fire insurance policy contract is one of the few, or is the only contract that contains the law of the contract. Under it the holder is warned that he can only collect the loss on his interest in the property, and that he cannot insure and burn and collect the loss on your property. The contract applies to his personal interest only, unless otherwise provided for, as where he holds property in trust for other parties and which must be noted in the policy.

The contract shows him that he must not permit his property to remain vacant without permit endorsed on the policy. The policy contract says that converting his dwelling, as described, into a sawmill, or a livery stable, without permit endorsed thereon, voids the contract.

The contract points out clearly and distinctly what he shall do in case of loss, and if he follows the directions therein he can make up his claim without a lawyer.

CONDITIONS, INSTRUCTIONS.

It is true that, as charged, the policy contains many conditions, instructions, in small print that the average man will not take the time to read and digest, but as these conditions, instructions, directions, have been passed upon and sustained by the courts, and are accepted by the big banks, big life insurance companies and big capitalists for indemnity and also as collateral security for loans, they must be and are fair and equitable.

Speaking about the small print and the puzzling, to the non-thinking reader, instructions in the policy, brings to mind a personal experience that was a lesson.

Thirty-nine years ago State Senator Hawes, one of the big men of the State of California, drew up a voters' registry law, which was passed by the Legislature, of which he was a member, and, as previous to the enactment of that law, we voted early and often, the law was made to provide for every contingency; it was what, if I did not have the old timer's preference for tobacco chewing as against cigarette smoking, and his prejudice against the use of slang, I would call a "corker," but I will say that it was perfect in every detail, and when one would connect Paragraph 3, Section 17, with Paragraph 29, Section 35, and these with Paragraph 17, Section 37, he would find the connection complete. Many complaints were made because of the intricacies of the law; and many letters asking for enlightenment were sent to Mr. Hawes; he answered some of them; but finally published a card in the daily papers saying in substance that "any man of ordinary intelligence who would sit down and read the Registry Law for three days would understand it thoroughly."

The idea of reading a document like that for three days was, to my mind, simply ridiculous, as anything that I could not, at that time, comprehend in one reading, skipping every other line at that, must have been written by a fool; but being interested in politics, I took three days, in fact I took a week to master it;

(*Continued on page* 520.)

Life Insurance Business in South Dakota in 1904.

(Compiled from a Preliminary Report by the Insurance Commissioner.)

Companies.	Policies Issued. No.	Policies Issued. Amount.	Premiums Received.	Losses Paid.
Ætna Life, Hartford	84	$119,559	$20,059	$3,000
Bankers Reserve, Omaha	86	200,500	34,497	.....
Bankers Res. Fund, Cincinnati	141	435,000	.....	.....
Connecticut General, Hartford.	2	6,000	763	.....
Central Life, Des Moines	232	358,506	14,798	6,000
Des Moines Life, Des Moines	56	69,250	5,335	.....
Equitable, Des Moines	125	158,500	21,274	2,000
Equitable, New York	543	840,890	60,644	10,066
Fidelity Mutual, Philadelphia	31	82,388	2,981	.....
Germania, New York	77	114,900	19,063	2,073
Home Life, New York	81	158,634	14,790	2,589
Mutual Reserve, New York	71	190,570	14,449	1,722
Mutual Benefit, Newark	178	282,086	33,435	.....
Minnesota Mutual, St. Paul	59	122,834	10,145	2,000
Mutual Life, New York	950	1,502,722	163,044	36,980
Northwestern Mut., Milwaukee	562	978,500	260,350	35,095
Northwestern Nat., Minneapolis	101	111,042	49,258	10,478
New York Life, New York	757	1,158,129	222,064	23,150
National U. S. of Am., Chicago	57	108,470	15,272	1,356
Provident Savings, New York.	124	251,000	25,900	5,000
Phœnix Mutual, Hartford	33	56,500	4,587	.....
Prudential, Newark	43	80,174	10,047	.....
Reliance, Pittsburgh	4	5,000	160	.....
Royal Union, Des Moines	83	133,944	13,459	.....
Security Mut., Binghamton	3	14,000	1,010	.....
Standard L. and A., Detroit	....	3,163	3,163	1,094
State, Indianapolis	420	728,645	74,604	5,000
Travelers, Hartford	19	36,222	5,654	41
Union Central, Cincinnati	83	170,500	33,478	14,000
Washington, New York	53	68,800	30,623	1,000
Totals, 1904	5,058	$8,546,448	$1,164,905	$162,645
" 1903	5,953	8,798,270	1,021,721	207,473
" 1902	4,995	7,260,904	885,146	116,223
" 1901	3,336	4,605,252	628,990	104,554
" 1900	....	3,494,176	520,414	103,808
" 1899	....	3,731,252	466,817	78,307
" 1898	....	2,569,801	363,910	68,180
" 1897	....	2,516,317	360,265	60,550

Assessment companies and fraternal orders wrote 6,354 certificates for $8,492,550 in South Dakota in 1904.

Life Insurance Business in North Dakota in 1904.

[Compiled from a Statement by the Insurance Commissioner.]

Companies.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Paid.
Ætna	97	$150,500	606	$918,151	$35,341	$4,819
Bankers Reserve	21	62,500	....	.....	2,777	.....
Bankers Life	63	126,000	20	40,000	2,117	.....
Equitable L. Assur.	212	421,255	1,284	2,683,077	78,406	19,770
Fidelity Mutual	102	167,162	335	732,315	27,420	.....
Germania Life	206	327,900	748	1,686,122	81,472	6,433
Home Life	17	23,000	9	15,950	2,495	.....
Manhattan	134	211,984	374	542,217	22,308	3,000
Minnesota Mutual	83	184,699	236	491,924	17,420	7,000
Missouri State	166	216,400	....	.....	11,212	.....
Mutual Benefit	84	169,035	249	467,547	24,586	.....
Mutual Life, N. Y.	620	1,149,442	2,154	3,699,785	144,496	18,511
Mutual Reserve	30	103,240	348	697,148	15,555	5,801
Nat. U. S. of Am.	21	32,500	180	114,650	1,834	72
New York Life	1,421	2,519,295	3,903	7,652,586	359,062	36,381
Northwestern Mut.	199	385,000	2,394	4,322,353	141,664	18,513
Northwestern Nat.	63	69,446	1,399	1,227,548	30,454	5,200
Phœnix Mutual	7	24,390	36	77,918	4,060	.....
Provident Savings	10	31,000	45	224,175	7,342	.....
Prudential	74	102,039	171	211,499	11,699	.....
Reliance	1	1,000	....	.....	50	.....
State Life	34	110,585	95	417,285	23,989	5,000
Standard L. and A.	....	.....	....	.....	2,569	968
Security Mutual	252	530,307	588	1,074,641	39,533	1,000
Surety Fund	76	152,000	111	206,000	1,484	.....
Travelers	50	87,652	238	620,850	19,136	2,425
Union Central	326	896,500	454	1,132,691	90,492	2,500
Washington	33	62,911	85	136,685	5,505	.....
Totals, 1904	4,402	$8,317,742	16,062	$29,393,117	$1,204,486	$138,293
" 1903	4,202	7,418,162	15,060	29,147,111	996,225	119,338
" 1902	3,903	6,982,449	13,821	25,820,904	885,676	159,732
" 1901	2,601	4,982,449	10,997	20,636,416	659,902	125,893
" 1900	1,780	2,702,293	8,136	15,921,108	520,942	131,138
" 1899	1,635	2,912,416	7,241	14,923,169	492,792	56,359
" 1898	1,422	2,518,777	6,360	12,600,117	266,175	81,077
" 1897	1,252	2,129,502	5,887	11,998,892	338,423	68,165
" 1896	1,125	2,012,384	5,295	11,148,126	307,846	63,358

Life Insurance Business in the State of Washington in 1904.

(Compiled from a Preliminary Report by the Insurance Commissioner.)

Companies.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Paid.
Ætna	157	$322,350	719	$1,524,828	$61,458	$11,136
Bankers, Iowa	9	20,000	23	35,000	2,303	.....
Bankers Res., Neb.	213	643,750	217	658,750	24,274	.....
Canada Life	70	284,170	177	575,540	19,210	.....
Connecticut Mut.	44	79,279	347	597,661	15,602	12,000
Conservative	109	456,300	258	1,122,050	44,367	5,000
Des Moines	129	582,500	152	642,500	20,918	9,010
Equitable, N. Y.	1,604	3,255,080	3,820	8,290,621	279,750	33,785
Equitable, Iowa	155	216,000	146	205,000	9,863	1,351
Fidelity Mutual	53	103,349	143	253,672	6,634	10,000
Germania Life	133	268,832	216	440,713	15,971	15,383
Home Life	30	59,544	122	169,806	12,487	1,000
Manhattan	48	104,500	166	435,002	15,295	5,000
Massachusetts Mut.	154	284,484	911	2,133,778	77,675	18,362
Metropolitan	796	570,026	1,196	990,341	42,525	4,000
Minnesota Mutual	27	56,759	109	264,745	7,619	6,000
Missouri State	60	87,380	91	126,900	2,522	2,000
Mutual Benefit	158	337,642	757	1,878,849	68,485	13,015
Mutual Life, N. Y.	1,112	1,999,674	4,426	9,577,700	328,559	90,327
Mutual Reserve	78	288,424	275	666,035	21,944	7,110
National, Vermont.	108	209,048	481	1,060,821	40,819	11,450
Nat. U. S. of Am.	92	209,633	251	338,850	17,089	2,144
New York Life	1,538	3,053,209	7,607	15,880,146	678,963	165,087
North American	149	247,850	315	566,850	18,938	1,000
Northwestern Mut.	469	974,600	3,596	7,294,954	169,268	23,413
Pacific Mutual	1,833	1,587,675	2,254	3,059,610	111,167	10,135
Penn Mutual	275	543,968	1,153	2,257,278	81,238	7,338
Phœnix Mutual	90	311,527	254	535,614	20,735	1,500
Provident L. & T.	23	57,490	29	64,722	7,262	.....
Provident Savings	188	474,738	381	1,114,437	51,191	14,000
Prudential	345	722,893	679	1,317,086	53,225	675
Reliance	7	7,000	8	8,000	395	.....
Security Mutual	9	15,049	19	24,508	1,578	.....
Security T. and L.	61	191,500	59	180,500	4,675	.....
State Life, Ind.	196	723,999	533	2,139,119	62,205	3,000
Travelers	53	140,505	303	1,063,938	38,401	4,500
Union Central	34	68,500	222	509,233	16,845	4,110
Union Mutual	171	241,261	342	531,518	14,600	2,000
Union Mutual Ben.	159	11,260	136	.....	1,093	126
Washington	327	522,892	718	1,083,669	42,211	1,512
Totals, 1904	11,246	$20,334,640	33,511	$69,620,344	$2,509,310	$496,419
" 1903	9,293	17,625,150	27,473	58,030,082	2,087,411	443,723
" 1902	....	13,905,656	....	46,515,723	1,680,934	328,719

The Metropolitan Life wrote 10,988 industrial policies for $1,930,799 in the State of Washington in 1904.

Assessment companies and fraternal orders wrote 15,175 policies for $19,114,758 in this State in 1904.

Fire Insurance Business in Idaho in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle.	$218,003	$6,867	$3,846
Ætna, Hartford	600,021	15,166	21,428
Agricultural, Watertown	37,100	1,229	2,896
Alliance, London	187,770	4,105	1,216
American, Boston	1,250	53	.....
American, Newark	177,089	4,867	3,942
American Central, St. Louis	309,094	9,169	9,469
American Fire, Philadelphia	538,804	10,261	8,813
Assurance Co. of Am., New York	5,000	100	.....
Atlas, London	216,689	5,461	4,114
British America, Toronto	129,260	4,155	3,019
Caledonian, Edinburgh	263,065	7,093	5,508
Caledonian American, New York	14,580	365	585
Citizens, St. Louis	140,204	3,958	2,885
Commercial Union, London	371,240	9,782	1,054
Connecticut Fire, Hartford	288,862	8,067	2,703
Continental, New York	264,210	6,964	1,462
Delaware, Philadelphia	7,478	178	153
Dutchess, Poughkeepsie	3,000	120	.....
Fire Association, Philadelphia	501,137	16,696	7,611
Fireman's Fund, San Francisco	1,307,503	29,774	19,121
Franklin Fire, Philadelphia	211,601	7,213	4,279
German Alliance, New York	150,005	4,065	1,455
German American, New York	336,555	8,321	4,251
Germania Fire, New York	126,980	3,333	37
Girard Fire and Marine, Philadelphia.	5,100	181	.....
Glens Falls, Glens Falls	83,730	1,680	.....
Globe and Rutgers Fire, New York	6,000	120	1,126
Hamburg-Bremen, Hamburg	343,642	10,937	10,150
Hartford Fire, Hartford	870,176	23,165	8,532
Home, Salt Lake City	743,575	17,908	16,133
Home, New York	1,485,401	32,602	27,698
Home F. and M., San Francisco	376,863	9,903	6,587
Indianapolis Fire, Indianapolis	4,375	121	.....
Ins. Co. of North America	365,505	12,233	7,950
Law Union and Crown, London	186,286	4,986	1,628

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Liv., Lon. and Globe, Liverpool	$1,264,112	$33,059	$22,386
London and Lancashire, Liverpool	370,221	9,014	9,272
London Assurance Corporation	294,121	8,500	10,038
Mercantile Fire and Marine, Boston	53,638	1,760	1,682
Michigan Fire and Marine, Detroit	111,762	3,374	3,713
National Fire, Hartford	416,853	12,443	9,971
National Union, Philadelphia	32,800	912	2,000
New Brunswick F., New Brunswick	500	12	.....
New Hampshire Fire, Manchester	87,661	2,314	1,272
New Zealand F. and M., Auckland	176,557	5,025	5,548
Niagara Fire, New York	247,882	6,628	8,097
N. British and Mercantile, London	512,007	14,045	13,967
Northern, London	349,921	11,425	9,383
Norwich Union, Norwich	511,563	15,233	9,229
Palatine, London	231,575	5,682	8,478
Pelican, New York	40,746	1,471	5,009
Pennsylvania Fire, Philadelphia	235,000	5,915	11,819
Phenix, Brooklyn	220,290	7,419	2,452
Phœnix, Hartford	299,905	8,202	5,164
Phœnix, London	445,954	14,411	31,968
Providence Washington, Providence	142,432	5,408	7,912
Queen, New York	492,575	14,620	12,637
Rochester German, Rochester	96,265	2,849	1,906
Royal, Liverpool	1,017,482	28,654	10,335
Royal Exchange, London	325,162	8,744	2,611
St. Paul Fire and Marine, St. Paul	620,200	8,116	10,564
Scottish Union and N., Edinburgh	199,885	5,324	2,733
Springfield F. and M., Springfield	244,528	8,113	10,036
Sun, London	276,498	8,197	7,284
Svea, Gothenburg	288,306	9,833	8,375
Traders, Chicago	256,834	8,695	5,105
Transatlantic, Hamburg	62,062	1,818	1,275
Union, London	263,851	8,863	8,010
Victoria Fire, New York	11,800	452	480
Westchester Fire, New York	132,148	3,749	571
Western, Toronto	91,195	3,252	3,159
Williamsburgh City Fire, New York	216,832	5,777	2,471
Totals, 1904	$21,518,276	$580,742	$455,562
Comparison With Business of Previous Years.			
1903	$19,396,838	$515,315	$205,264
1902	15,721,706	423,771	157,468
1901	15,419,163	342,641	108,086
1900	12,866,251	278,141	107,306
1899	9,823,695	219,310	135,918
1898	9,581,848	191,886	123,719
1897	6,814,198	154,556	100,247
1896	5,975,208	143,458	107,750
1895	6,058,316	147,940	46,564
1894	5,869,874	150,126	179,601
1893	6,574,219	170,858	168,097
1892	7,228,403	200,035	158,042
1891	3,916,490	116,485	52,902
1880 to 1890	14,946,061	417,292	263,555

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 58.4. The percentage in 1904 was 78.4.

Life Insurance Business in Arkansas in 1904.

[*Compiled from the Report of the Auditor of State.*]

Companies.	Policies Issued.	Policies in Force Dec. 31, 1904.	Premiums Received.	Losses Incurred.
Equitable, New York	$3,111,677	$10,388,650	$343,992	$175,846
Fidelity Mut., Philadelphia	1,364,591	4,105,091	134,382	50,358
Franklin Life, Springfield	188,725	702,790	25,359	7,160
Germania, New York	32,150	123,100	4,071	.....
Hartford, Hartford	234,500	522,500	19,862	8,000
Home, New York	81,000	265,360	11,006	.....
Mass. Mutual, Springfield	263,662	3,825,580	133,611	78,128
Met. (Ordinary), N. Y.	1,255,902	3,139,067	190,593	10,000
Met. (Industrial), N. Y.	1,202,208	1,707,517	.....	9,529
Missouri State, St. Louis	398,650	489,400	14,006	3,000
Mutual Life, New York	2,546,388	18,745,620	477,918	248,027
National U. S. of A.	111,906	107,906	1,459	2,000
New York Life	2,378,933	10,618,727	404,568	110,218
Northw. Nat., Minneapolis	354,399	329,453	15,670	850
Pacific Mut., San Francisco	648,560	1,115,201	32,256	9,611
Penn Mutual, Philadelphia	852,926	1,361,765	45,635	17,500
Phœnix Mutual, Hartford	85,000	371,880	11,311	6,750
Provident Savings, N. Y.	192,956	561,223	16,339	.....
Prudential, Newark	353,426	805,559	31,592	7,750
Reliance, Pittsburgh	9,300	9,300	263	.....
Security Mut., Binghamton	565,624	1,157,433	31,781	9,500
State Life, Indianapolis	273,000	775,500	26,586	2,000
Travelers, Hartford	65,000	1,482,603	61,538	14,806
Union Central, Cincinnati	1,185,670	6,480,141	233,303	88,745
Washington, New York	298,888	663,491	25,604	11,293
Wisconsin, Madison	29,250	29,250	702	.....
Totals, 1904	$18,084,385	$69,934,107	$2,292,399	$871,071
" 1903	15,025,153	59,761,762	1,966,723	642,522
" 1902	14,521,753	52,401,170	1,661,334	523,142
" 1901	11,910,931	44,076,737	1,305,787	553,447
" 1900	8,953,256	37,230,038	1,133,978	432,546
" 1899	6,767,593	31,869,607	914,057	367,068
" 1898	6,132,919	27,258,079	810,069	285,617
" 1897	5,066,407	24,677,359	738,722	184,167
" 1896	5,139,553	23,318,126	716,406	286,099
" 1895	7,650,507	23,202,526	762,407	185,563

Fire Insurance Business in Indiana in 1904.

(*Reported by the Companies to The Weekly Underwriter.*)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$2,397,202	$33,090	$15,632
Ætna, Hartford	8,655,858	125,749	58,247
Agricultural, Watertown	2,717,800	37,327	14,821
Allemannia Fire, Pittsburgh	1,305,697	18,412	8,281
American, Newark	13,844,279	166,009	61,480
American Central, St. Louis	1,863,562	27,018	6,629
American Fire, Philadelphia	1,947,974	20,550	6,500
Atlas, London	2,217,886	29,918	10,948
British America, Toronto	1,991,046	26,579	21,225
Buffalo Commercial, Buffalo	889,740	11,809	8,017
Buffalo German, Buffalo	2,128,390	28,037	15,049
Caledonian, Edinburgh	1,303,786	19,301	4,967
Camden Fire, Camden	142,539	2,187	418
Citizens, St. Louis	2,812,990	45,661	24,279
Cologne Reinsurance, Cologne	516,887	7,659	5,986
Commercial Union, London	4,539,453	59,582	25,004
Concordia, Milwaukee	2,100,236	31,515	8,671
Connecticut Fire, Hartford	8,067,800	110,594	55,636
Continental Fire, New York	45,319,029	330,993	133,809
Delaware, Philadelphia	1,943,371	27,210	9,672
Detroit Fire and Marine, Detroit	775,623	9,257	4,220
Equitable F. and M., Providence	1,544,042	19,017	6,061
Farmers Fire, York, Pa	1,393,420	20,789	11,327
Fire Association, Philadelphia	5,101,823	77,015	48,161
Fireman's Fund, San Francisco	5,076,633	69,291	32,081
Firemen's, Newark	1,066,910	13,662	3,063
Franklin Fire, Philadelphia	2,370,244	36,214	16,245
German, Freeport	10,472,465	1,230,622	52,053
German, Indianapolis	9,625,648	128,924	50,785
German Alliance, New York	1,869,744	27,891	9,692
German American, New York	7,454,500	95,663	58,009
German Fire, Peoria	1,557,778	23,824	7,825
German Fire, Pittsburgh	426,881	6,298	658
German National, Chicago	2,286,673	33,941	19,820
Germania Fire, New York	6,518,084	93,000	33,765
Girard Fire and Marine, Philadelphia	1,660,813	22,986	16,641
Glens Falls, Glens Falls	5,359,811	56,900	25,602
Globe and Rutgers Fire, New York	2,119,728	40,561	4,713
Hamburg-Bremen, Hamburg	2,045,329	32,855	20,245
Hanover Fire, New York	4,262,942	62,147	20,851
Hartford Fire, Hartford	26,481,848	396,162	182,701
Home, New York	72,372,226	484,931	233,033
Home F. and M., San Francisco	964,582	14,581	3,282
Indianapolis Fire, Indianapolis	5,075,349	78,041	44,677
Ins. Co. of N. America, Philadelphia	8,560,466	122,469	52,618
Liv. and Lon. and Globe, Liverpool	5,350,024	75,586	56,129
London and Lancashire, Liverpool	2,327,074	27,866	10,234
London Assurance Corporation	1,941,228	27,977	16,469
Madison, Madison	949,531	12,117	2,030
Michigan Fire and Marine, Detroit	1,064,979	15,302	4,770
Milwaukee Fire, Milwaukee	918,700	13,522	10,694
Milwaukee Mechanics, Milwaukee	5,529,910	80,163	38,510
Moscow Fire, Moscow	396,500	5,317	4,082
National, Dublin	36,500	415	.....
National Fire, Hartford	6,423,274	87,164	44,567
National Union, Philadelphia	1,879,812	28,514	11,199
Newark Fire, Newark	392,075	5,833	2,797
New Brunswick F., New Brunswick	61,250	875	.....
New Hampshire Fire, Manchester	2,845,490	37,643	16,014
New York Fire, New York	668,879	7,557	3,919
Niagara Fire, New York	4,231,280	64,785	28,487
N. British and Mercantile, London	5,957,680	83,601	38,516
Northern, London	4,100,566	59,825	18,993
Northwestern National, Milwaukee	6,819,429	73,155	28,578
Norwich Union, Norwich	2,738,737	41,346	21,003
Ohio Farmers, Le Roy	22,093,972	231,220	107,809
Orient, Hartford	1,463,288	19,257	12,912
Palatine, London	2,149,866	28,033	8,068
Pelican, New York	217,375	3,213	630
Pennsylvania Fire, Philadelphia	4,012,000	56,549	26,966
Phenix, Brooklyn	23,525,185	343,157	151,194
Phœnix, Hartford	8,813,999	112,237	51,136
Phœnix, London	2,282,411	38,547	19,498
Providence Washington, Providence	2,825,084	32,751	14,243
Prussian National, Stettin	2,224,290	22,070	9,840
Queen, New York	6,337,878	92,414	35,667
Reliance, Philadelphia	1,819,045	26,044	9,182
Rochester German, Rochester	2,621,740	41,287	19,156
Royal, Liverpool	6,952,729	97,362	43,284
Royal Exchange, London	2,036,702	35,624	15,368
St. Paul Fire and Marine, St. Paul	3,068,763	41,903	22,210
Salamandra, St. Petersburg	285,524	5,123	9,320
Scottish Union and N., Edinburgh	2,244,090	35,528	13,877
Security, Hartford	3,624,895	39,570	11,438
Skandia, Stockholm	854,405	12,398	4,362
Springfield F. and M., Springfield	8,345,684	113,805	59,938
Sun, London	3,829,676	52,202	21,334
Teutonia, Dayton	1,026,533	13,881	2,324
Toledo Fire and Marine, Dayton	65,824	1,672	1,926
Traders, Chicago	2,598,736	33,310	12,553
Union, London	737,536	10,789	5,531
United States Fire, New York	672,055	9,018	9,897
Westchester Fire, New York	2,449,498	36,055	13,720
Western, Toronto	2,483,904	38,006	23,823
Williamsburgh City Fire, New York	1,382,564	19,977	13,609
Totals, 1904	$470,827,242	$5,640,266	$2,561,265

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Comparison with Business of Previous Years.			
1903	$404,301,114	$5,040,508	$2,025,277
1902	422,607,090	5,047,676	2,690,159
1901	412,941,425	4,551,041	2,724,901
1900	374,159,726	4,210,724	2,816,834
1899	363,144,035	4,084,533	2,079,477
1898	329,803,376	3,777,646	1,606,353
1897	321,125,298	3,705,539	1,961,601
1896	270,177,967	3,566,399	1,994,466
1895	288,293,132	3,705,671	2,101,306
1894	268,107,483	3,480,429	2,106,287
1893	285,732,734	3,545,254	2,203,563
1892	270,191,343	3,491,085	1,845,974
1891	266,333,028	3,255,111	1,791,410
1880 to 1890, inclusive	2,133,328,452	25,729,627	15,093,769

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 55.1. The percentage in 1904 was 45.4.

(*Continued from page 517.*)

I mastered it, and found that there were no missing links in it, some of the links were very long, but they were all there.

This old time experience applies to the insurance policy; it applies to everything you study, and, if instead of trying to cram to pass an examination to graduate, you will absorb, digest and store what you read here, for use fifty years hence, your time spent in this school will be well invested.

COST OF MANUFACTURING INDEMNITY FOR SECURITY.

The general rule is that anything that is manufactured, and is valuable, is costly in proportion to its value; and indemnity, which is made up from rates, is no exception to this rule.

The value of insurance as indemnity or as collateral security depends upon the ability of the insurance company to meet its obligations at the time of the fire, and that ability depends on the rates charged and collected when the policy is issued.

The ordinary mercantile or other transaction is based on a transfer of property for a consideration, the cost value of the property and the amount of the consideration being fixed at the time of the trade.

In the insurance transaction the cost to the company of the indemnity, the property to be delivered in one to five years, must be estimated in advance, and the company that sells its promises to deliver the goods when called for, at the lowest estimated rate, will be the least able to fulfill its promises, but as it has received payment in advance, the buyer, and not the company, is the loser on its failure to respond to the call of fire.

The insurer, the company, takes the coin for premium, and as the insured takes the promise, the policy, he is interested in knowing that the company's rates are so adjusted to losses and expenses that he has "insurance that insures" and that he will not be the victim, when the fire comes, of a cheap rate, a pretty policy and a busted company.

The expense, about 35 per cent. for manufacturing indemnity (collateral security) by gathering together the small premiums from scattered risks located in the country, the towns and the cities in the four quarters of the globe, to pay the big losses, is criticised by the uninitiated; but a careful study of the methods of safely conducting an insurance company will convince anyone that the expense is necessary and cannot be reduced.

FIREPROOF INSURANCE.

Property not being fireproof underwriters build up fireproof insurance companies.

The insured is interested in knowing that if his city or town is swept out of existence by fire that his company is fireproof.

The insurance stockholder is interested in knowing that his stock is fireproof and will continue to pay dividends, and last but not least, the officers and managers are very much interested in so conducting the business that a general conflagration in any one or more cities will not drop them from the payroll.

To be safe a company must so distribute its risks and fix its rates of premium that the income from the many risks, towns and cities that do not burn will pay the expenses and pay the losses on those that do burn.

The San Francisco companies, and other standard companies, have agencies in and are represented in every town and city from Manila, Luzon, to Eastport, Me.

The New York companies turn away from their New York counters more premiums in a day than they can get in San Francisco in a week.

The companies' system of placing surplus lines with each other distributes the risks. A company may write a policy for $100,000 on property, and hold only $5,000, the other $95,000 being given over to other offices that in return divide their big risks.

This distribution of liability enabled the standard stock companies, that do a general agency business, to pay the $31,000,000 Baltimore fire without reduction of a point in the market value of their stock or passing a dividend.

CLASSIFICATION.

Classification accounts are kept with 110 different classes of property, each class representing brick and frame buildings, and again subdivided into thirteen classes of locality in California, making in all 2,860 separate accounts, to which premiums are credited and losses and expenses are charged. This account shows the cost of carrying each class of risk in each class of city, town or country.

The expense of classification, blocking and mapping adds much to the cost of manufacturing indemnity, but such expense is absolutely necessary to make the collateral security furnished by the companies as good as bullion.

It is not well known that in the event of fire it is the duty of the insured under his contract to save all that he can;

To care for, clean up, dry out and air the saved property;

To keep an account of all expenses incurred in caring for saved property and charge to the loss;

To keep open and continue business as if he had no insurance;

To continue to sell property on which there is no damage;

To sell perishable damaged property;

He must not close his doors and wait for an adjuster;

The insurance company will neither take care of, nor take possession of the premises or the saved property;

Any loss caused by the negligence of the insured to protect and care for property at or after a fire is not covered by the insurance contract;

The property saved belongs to the insured and all of the loss and loss expenses thereon up to the amount of the insurance policy is chargeable to the company.

Too many busybodies in the country get marine and fire insurance mixed. Marine insurance is based on full value, and all that is saved is for the benefit of the underwriters; if the property is not insured up to the full value under the marine policy, the insured owner is an underwriter for the difference between the amount of insurance and the agreed value of the property, and salvage, the property saved, if any, is apportioned on the various interests.

In fire insurance, unless there is a coinsurance clause in the policy, the insurance pays all of the loss and loss expenses up to the face of the policy; and all that is saved is retained by the insured.

ADJUSTING LOSSES.

The adjustment of a loss is conducted on business principles; the adjuster and the claimant usually agree on the cash loss to each article or item, but in event of disagreement the question is left to appraisers, one selected by the adjuster, one by the claimant, and an umpire selected by the appraisers; and the award of either two of the appraisers or the umpire and one appraiser fixes the amount of the loss on the property. This is fair, is held good by the courts, and as an appraiser selected by the insured, and the umpire agreed to by him, are not likely to be prejudiced in favor of corporations, the insured gets a fair settlement.

A stock of merchandise worth $7,000, insured for $5,000, sustaining a loss adjusted at $4,000, would be settled by the insured retaining the $3,000 worth of goods saved, and receiving $4,000 from the insurance.

In that case he would have his $7,000 and the insurance company would save $1,000.

The above loss may have been made up as follows: Value of totally destroyed goods, say, $3,000; damages to saved goods, $750; labor, caring for and putting goods in order, $250; loss, $4,000.

If the loss and expenses figure $5,000, or more, the insurance would pay $5,000 and the insured would retain all of the saved goods, the insurance company, as you see, carries the hot end of the poker and must get rates to meet the conditions.

The companies have sixty days after proofs have been filed in which to pay losses. The sixty day limit is intended to give the company time to look into the loss and also in event of a big conflagration to give time to convert securities into coin.

The standard companies on the Coast pay losses on adjustment without discount where the fire is honest and the claimant is fair.

A claimant, after a fire, needs money and needs it badly, and where the companies make their profit off of the rate there is no reason why the insured should be worried by delay or pinched by discount.

MAKING AND FIXING RATES.

Insurance rates are based on class of business, building, class of property, class of locality, class of protection and class of surroundings known as exposures, and are ascertained from the classification accounts.

A frame building carries a higher rate than a brick building; a frame cotton lined and stove piped building is higher rated than one with hard finish and a brick chimney; a building exposed by frame buildings carries a rate to compensate for the risk of the exposing buildings.

Brick buildings vary in classes from shingle roof to steel frame, with cement floor construction, and rates are made to fit each class.

Each class of contents of buildings has its own rate, based on its sensitiveness to damage by heat, smoke, water or removal in making the chance of loss total or partial.

Millinery stock damaged by water and smoke might be a total loss, while a clothing stock exposed to the same smoke and water damage would be only a partial loss. Hardware and cutlery are sensitive to water and heat; water rusts and heat draws the temper, making a total loss on cutlery, where the same amount of heat and water would make a partial loss on liquors in glass or in barrels.

A smouldering fire in the corner of a cigar factory or cigar store in a bunch of greased rags, old clothes and rubber shoes would inject a new odor into the cigars that would render the stock unmarketable, while the same kind of a fire in a shoe store would not be noticed.

A small fire will generate a smoke that would ruin a stock of paper packages, leaving the paper fit for pulp only.

INSURANCE A TAX.

Insurance being a tax on property all good citizens are interested in reducing the fire loss by advocating and adopting good building laws, good chimneys, proper restraints on the use and storage of inflammable or explosive substances and such other measures as will reduce the fire waste, leaving competition to reduce the rates.

All legislation in the way of valued policy laws by which a rogue is enabled to sell to an insurance company a building for $2,000 that could be replaced for $1,000 adds to the cost of insurance; as also do heavy taxes, licenses and fees on insurance companies, and the people pay the tax by increased rates.

The idea that fire departments are supported for the benefit of and should be supported by fire insurance companies is another popular error.

The rates of insurance, as said above, being based on class of property and protection, the better buildings and better protection command the lower rates, and the taxes paid by the property owner to support the fire department are more than saved in premiums.

Frame stores in frame blocks in San Francisco that are now written for $25 per $1,000 per annum because of good fire protection would cost $100 per $1,000 per year in similar blocks in small towns, and would be practically non-insurable at any rate in big cities where exposed by numerous frame blocks, and not protected by first class fire departments.

The people make the hazard and the hazard makes the rate.

Saved by the Scissors.

THE COLONEL MEDITATES.

The colonel was evidently in a meditative mood, as he sat in the comfortable armchair, his feet stretched out toward the fire in the grate. His eyes apparently were seeing pictures in the flames. His thoughts were—no one could say where. The colonel finally broke the silence as though speaking to some one in answer to a question. What he said was, "Yes, it is a great advantage to a solicitor to be able to take control of his client's mind from the beginning of an interview, and this is the reason that, as I have often told you, the successful field man must be possessed of indomitable will power. With it he should be able to make himself congenial to all types of humanity. The born agent knows instinctively what class of man he has run up against and decides thereby what kind of treatment to give him. Some men are to be led, others are to be pushed, still others may be argued with. I have found in my experience that most men love to be listened to and a good listener is often more successful than a good talker. One must be a listener for his own good, following the theme of conversation, directing it by a judicious question or turning it in another channel by an opportune remark if it gets to verging toward the danger point. In other words a man to be successful must be tactful, but above all things he should never let his client get to the point of saying 'No.' So long as a man is wavering, so long as he is undecided, he is safe, but when he has once planted his foot on the negative platform he has taken the stand, and it requires an expenditure of energy, perseverance and determination to get him off from it ten times in excess of that required to keep him from taking the stand. Again, if a man says 'No,' he has called to his support the elements of pride, prejudice, stubborn determination, and what he wrongfully feels to be a sort of moral virtue, all of which are to be overcome before he can be brought to any other point of view; therefore, as I have told you before, so control your man that you are always able to keep him from the danger point of saying "No." I do not mean, of course, that the no is always final. To the contrary, it may possibly be one step toward the point of assenting. Nevertheless, it is much better to leave the matter undecided than to have your client take the negative stand." Saying this, the colonel knocked the ashes from his cigar, and, arising, passed out of the office.—*Hartford Life Bulletin.*

THERE IS

Always a Good Opportunity for a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK.

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT.

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents,

32 NASSAU STREET, NEW YORK CITY.

[FIRE]
German American
Insurance Company
New York
CAPITAL
$1,500,000
NET SURPLUS
5,841,907
ASSETS
12,980,705

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.
6,561 per day in number of Policies issued.
$1,426,700.50 per day in New Insurance Written.
$114,060.67 per day in Payments to Policyholders and addition to Reserve.
$73,326.81 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks,	$64,270,818.12
Bonds and Mortgages,	33,094,145.00
Real Estate,	16,806,932.86
Cash,	7,323,372.74
Loans to Policyholders,	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.

Reinsurance Fund and Special Reserves,	$112,351,323.00
All other Liabilities,	907,772.25
Capital and Surplus,	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security, $277,290,466.48

Number of Policies in Force, 8,029,906

Amount of Outstanding Insurance, $1,470,424,281.00

Amount of Insurance Issued in 1904, $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.	
1884—$2,915,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00	—1884
1894—18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00	—1894
1904—55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00	—1904

In its Ordinary Department policies are issued for from $1,000 to $1,000 000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - $200,000.

STATEMENT, APRIL 1, 1904.

Bonds, Bank and Other Stocks, Market Value	$290,326.50
Demand Loans with Collateral Security	34,500.00
Real Estate, unincumbered, owned by the Company	106,500.00
Premiums in course of collection, Interest due Company and Cash in Banks and Office	222,561.32
Total Assets	$653,887.82

LIABILITIES.

Reserve for Reinsurance and other Liabilities	$280,736.85
Reserve for Losses under Adjustment and not yet due	94,533.01
Surplus to Policyholders	278,617.96
	$653,887.82

Losses paid since organization, $18,616,821.42.

CHAS. S. HOLLINSHEAD, President.

E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

January 1, 1904.

Assets,	$1,152,330
Surplus,	439,609

KIMBALL C. ATWOOD, Sec., 290 Broadway, NEW YORK.

SAFETY FUND INSURANCE.

NIAGARA

Fire Insurance Company

OFFICE: 135 & 137 BROADWAY. OF NEW YORK.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, Jr., Manager. T. A. RALSTON, Sub-Manager.

ÆTNA LIFE
INSURANCE COMPANY

MORGAN G. BULKELEY, President.

The Leading Insurance Company in New England and the largest in the World writing

Life, Accident, Health and Liability Insurance

Has been in active and successful business over **55** years.

ASSETS OVER 73 MILLIONS — **PAID TO POLICYHOLDERS 146 MILLIONS**

Its Surplus, by Connecticut Standard, is
$8,850,426.65

The Ætna Life Insurance Company is organized on the principle of the strongest Banks and Trust Companies by having a large capital stock ($2,000,000) widely distributed, and being subject to the close supervision of those who are financially interested. This gives assurance of safe and economical management, thus making it in the best sense a policyholders company.

For an Agency address the Company at Hartford, Conn.

INCORPORATED 1865.

GERMAN INSURANCE CO.
OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905,	$5,546,127.97
Cash Capital,	200,000.00
Liabilities, including reinsurance,	3,617,361.34
NET SURPLUS,	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Sec.

CHARTERED 1866.

Hartford Life Insurance Co.
HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary.

Up to date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at Age Eighty automatically.

$27,807,910 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

The Mutual Benefit
LIFE INSURANCE CO.
NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905,	$93,237,790.27
LIABILITIES,	85,918,227.30
SURPLUS,	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

Royal INSURANCE COMPANY
(FIRE)
OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1904.

Assets, held in the U. S. for the special protection of its American Policyholders. $8,520,383.40

Liabilities, ... 5,204,870.83

Net Surplus, January 1st, 1904, $3,315,512.57

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

THE METROPOLITAN PLATE GLASS AND CASUALTY INSURANCE COMPANY OF NEW YORK.

Home Office: 47 Cedar St.

Chartered 1874. The Oldest New York Company in Its Line.
Assets, January 1, 1904, $591,813.08.
Surplus to Policyholders, 389,895.29.

Plate Glass and Personal Accident Policies

OF THE MOST APPROVED FORMS

EUGENE H. WINSLOW, President, DANIEL D. WHITNEY, Vice-Pres't.
S. WM. BURTON, Secretary. ALONZO G. BROOKS, Ass't Sec'y.

RELIABLE AND ENERGETIC AGENTS WANTED.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, Secretaries.

INCORPORATED 1799.

Providence Washington Insurance Company.
PROVIDENCE, R. I.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905.

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353,488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Commercial Union Assurance Co.
LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York.

Insurance Co. of North America,
232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

The Union Central Life Ins. Co.
CINCINNATI, OHIO.
THE GREAT POLICYHOLDERS' COMPANY

Assets, January 1, 1904	$38,795,143.78
Liabilities	32,615,645.78
Gross Surplus	6,179,498.00

No fluctuating securities—Largest Rate of Interest—Low Death Rate.
Large and increasing Dividends to Policyholders.
Desirable Contracts and Good Territory Open for Live Agents.

Address JOHN M. PATTISON, President.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.

The Prudential
Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men. The Grand Prize was awarded the Prudential at the St. Louis Exposition.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, JUNE 3, 1905. No. 22.

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MODERN conditions under which the business of fire insurance in the United States has been transacted cover the past quarter of a century. In that period sufficient experience has accumulated in each State to very fairly determine its value from the point of view of profit and loss. In the new volume of "Fire Insurance by States," published today from the office of this paper, this general experience of twenty-five years is set forth, both as to the companies in the States and the States themselves, and by receipts and expenditures for losses and percentages. For the student of local conditions in fire underwriting this record is indispensable. The returns are official, and we need hardly add that the record is the only one published that is complete in all its parts. Look on the back page of this issue.

IT would seem that the long expected report of the Frick committee upon Equitable conditions, instead of clarifying the situation and providing a means for the settlement of the various contentions rending the company and its policyholders, has plunged affairs into deeper confusion. We are obliged to go to press in the midst of this turmoil and without being able to print the report of the committee, which was being withheld from the public at the time with possibilities of resubmission to the committee for "toning down." All of this is very deplorable, and we voice public opinion in saying that nearly everybody outside the Equitable Building is tired and disgusted with the whole business. If it were not for the vast interests involved the general feeling would be that a dynamite explosion at 120 Broadway would be excused. However, in spite of the disorder, this much is sure, the company is solvent and strong, the policyholders will be protected by the State, and the causes of the present disturbances will be permanently removed in the end. Let us hope that the rainbow will soon appear in the sky.

IN an article on the study of life insurance in college courses, from which we reprint extracts, Mr. William J. Graham, of the actuarial department of the Metropolitan Life insurance company, discusses the advantages that accrue from a knowledge of the principles of insurance in many of the avocations of life. Both professional and business men are broadened by it, and the value of a certain amount of preliminary education in the theory of life insurance for those who intend to make field work a business is, of course, apparent. Mr. Graham points out, however, the danger which may exist among students from a misapprehension of the possibilities of employment in the actuarial branch of the business. It necessarily has its limitations, because the life insurance companies are few in number compared with other corporate employers of labor, and two or three actuaries suffice for each company. The qualifications for the aspirant and his prospects of success are thus pertinently outlined by Mr. Graham, and should be taken to heart to provide against disappointment:

> For a man to become an actuary he must have a mathematical mind, then equip himself with a knowledge of the mathematics to enable him to successfully pursue actuarial studies, and he must further possess the important ability to apply his learning to insurance affairs. The latter requires intimate association with insurance. At that, the information a man will gain in practical actuarial employment is fragmentary and needs to be supplemented with exhausting outside study. Truly the paths that lead to professional recognition and remunerative service in actuarial work are not of a rosy kind—and mathematicians who are tempted by the hope of large salaries in actuarial service will do well to debate two difficulties: first, that of attaining proficiency in the science, and second, that of marketing their knowledge. Beyond the limited number of companies there is but a small field in advisory work and State department service.

PEACE hath her victories no less renowned than war. The triumph of Japan in the present defensive conflict for the preservation of her independence will give a tremendous impetus to the development of her resources after the last shot is fired. A people so enlightened and progressive will naturally appreciate the value of that beneficent system of protection for the family which has been so potent for good in that Western world which new Japan is so eager to imitate. While life insurance had a beginning in Japan before the present war, that country is practically a new field for the insurance agitator. There is a large class of the population in fairly comfortable circumstances which would be open to the industrial companies. We may be pretty sure that in any expansion of the energies of the Japanese there would be the creation of native insurance companies, but our great American life insurance corporations have been able to contend successfully for business in all foreign countries in the face of home competition, and their experience would be no different in the country in which American ideas are welcomed and a strong friendship for the Americans prevails. Whether the hour has struck for peace we may have to wait a little while longer to know, but our life insurance managers need not delay their preparations to enter Japan for business as soon as quiet is restored. No doubt the people have suffered in their material condition from the effects of war, as all peoples must under such circumstances; but they are frugal and industrious, and the large money indemnity which Russia will pay will eventually flow over the whole land and restore the equilibrium. One of the greatest of the victories of peace in Japan will be the spread of life insurance.

Facts and Opinions.

In the Superior Court at Chicago on Saturday Judge Brentano rendered a decision in the **injunction suit of Frank F. Holmes** against the Chicago Underwriters' Association, growing out of the placing of the Cook County insurance. He favored Holmes' position in every point, holding that he acted in strict accordance with the rules of the association, and that he did not offend against any principle of business fairness. The motion of the association to dissolve the injunction Holmes had secured against it was therefore denied. Frank F. Holmes & Co. filed a bid offering to place insurance on the Cook County property for three years, at a premium aggregating $25,000. The next day the Chicago Underwriters' Association issued new rate sheets, advancing rates on the property 20 per cent. After the bids had been opened, the association ruled that the rate to apply on the insurance was the rate contained in the new rate sheets. The county, after long consideration, awarded the contract to Holmes, but he was required to pay the higher rates, the companies on his binders having refused to furnish the insurance at the original rate. This reduced his profit on the deal $5,000. In May, 1904, charges of violating the association's rates and of rebating commissions were filed against Mr. Holmes, whereupon he obtained an injunction, through his attorneys, Furber & Wakelee, restraining the association from enforcing its rules against him. The court held that the action of the association in deciding that the new rates should apply, taken after the bids had been filed and opened, was retroactive and illegal; that Holmes was bound, by his bid, to furnish insurance for the price named therein, and that his inability to obtain such insurance at the old rates, and his paying the new rates therefor, were due to the action of the association, and that the association cannot take advantage of its own wrong. He further held that the rules of the association relative to the making and enforcement of premiums, so far at least as they apply to insurance on public property and buildings, constitute an illegal restraint of trade. The court did not go into the question of conspiracy, of which much had been made by Mr. Holmes' attorneys, nor did it pass upon the point whether the Underwriters' Association was an illegal organization. President Teall, of the Underwriters' Association, is very much surprised at the decision, and feels that the court must have misunderstood the facts, as it insisted all the way through that Holmes was subject to expulsion as a result of his action, and that he was entitled to protection against being deprived of his livelihood. Mr. Teall says the association has no rule providing for expulsion, a fine being the limit of its punishment for any infraction. There is no appeal from a decision on a temporary injunction, but if application is entered to make the injunction permanent the association can appeal there or can furnish additional evidence. It is felt that the decision will strengthen Mr. Holmes' suit for damages against a number of the officers of the association, since the court has declared the action upon which this suit is based to have been illegal. Opinions differ among underwriters as to the advisability of appealing. It is admitted that the case turned largely upon the fact that the insurance involved was on public property, and that if the court upheld the association it would be punishing a man for saving the taxpayers money. On the other hand it is pointed out that the Illinois Supreme Court usually takes a very drastic stand against organizations when any question of public policy is concerned, and that the chances for getting a reversal are dubious; while the court might not be so considerate as Judge Brentano, and might go into the question of whether the general operations of the association were illegal in fixing a price on insurance, whether on public or private property. It is understood that Mr. Holmes is ready to consider a proposition for a settlement, which will do away with the damage suits he has begun against members of the executive committee and other officers of the association.

Between twelve and fifteen **automobiles were destroyed** and forty-two seriously damaged in a fire that visited the Beacon garage on Brimmer street, Boston, the morning of Memorial Day. The establishment was run by the H. H. Franklin Motor Car Company, and the machines were mostly of that make. The company's loss is estimated at $50,000, protected only by a blanket policy for $10,000. James Hewitt, carriage manufacturer, occupying the floor over the garage, lost some $10,000 worth of stock, partly insured. A. R. Bangs, agent for the Franklin Company, had an $8,000 Darracq motor car damaged. The building was thoroughly used up; what was not burned or spoiled by water had to be torn down, and it seems as if the loss on that item must be total. It ought not be large, for the structure was a mournful looking shack at best. At the office of the Boston insurance company, which does about all the Boston automobile writing there is, no information was vouchsafed up to the time of writing as to how many of the individually owned cars were placed under its indemnity protection and for what amounts. The fire marshal department of the State police is making an inquest into the cause of the fire, which, according to one report, was caused by a workman dropping a torch on the oil soaked floor. Under the spot where it started was a tank containing 150 gallons of gasoline, buried six feet under the floor, in compliance with the underwriters' rules. Luckily it was full to the brim, else there might have been a heartrending story of disaster to tell. As it was, eight firemen were hurt more or less severely by the collapse of the floor on which they stood, and two children, narrowly escaping a dreadful end in the flames, were rescued by the bravery of a young lady, Thelma M. McKee. An incident of the fire was the arrival of the owner of a Franklin, who had been thinking of having it insured, just in time to see it destroyed.

The June number of the *Fidelity and Casualty Bulletin* pertinently says:

> Every week or so word reaches us of the launching of a new surety company. How they are all to exist passes understanding. How people are found to contribute the capital is equally inscrutable. * * In the last five or ten years none but a few of the strongest and oldest companies in the business have made money. Rates have continuously fallen under fierce competition, until now they are about half what they were a few years ago, and are admittedly insufficient. The shores of the underwriting sea are strewn with the wreckage of surety crafts that could not keep afloat. Yet persuasive promoters, full of imagination, magnetism, and it may be mendacity, appear to be able to hypnotize and entrap unwary capitalists.

These conditions are very evident in New York city at present, and the assertions above are fully backed up by the statements of conservative managers of old established companies. **Competition** now **is tremendous** and rate cutting an increasing evil. The bonding of a few ticket sellers and express messengers is not going to furnish lucrative dividends for any stockholders. Some one will shortly get sadly fooled. One company lately formed has as its head a callow youth of four months' experience in the office of another company. In a recent personal interview he intimated with some heat that insurance trade journals are "blackmailing sheets," individually, collectively and all the time; that insurance would be better off without them all. They were of no earthly, celestial or subterranean use. Such imputations are hardly necessary to resent, considering their source, but this fledgeling

company has still some experience ahead of it which the surety profession, and incidentally the insurance press, will be pleased to see it receive in full measure, and that right early.

The following record shows the number of **fires and their causes** in connection with claims paid by the Continental insurance company during 1904 as compiled by the company: Unknown, 268; outside causes, exposures, etc., 1,262. Lighting—Live stock, 90; building, etc., 701; total, 791. Incendiary—Internal by assured, 95; external by tramps, etc., 341; total, 436. Carelessness—Adults, 551; children, 137; drunkenness, 3; matches, 1,329; plumbers, mechanics, etc., 118; total, 2,138. Lighting—Candle, 90; gas jets in contact with curtains, 348; lights in show windows, 22; kerosene, 492; electric, 293; barns, 2; leaking gas pipe, 56; gasoline gas machines, 33; total, 1,336. Heating—Defective flues, 689; stoves, 585; gas stoves, 46; fire places, open grates, 198; steam, 27; gasoline stoves, 93; kerosene oil stoves, 101; hot air furnaces, 155; burning out soot in chimney, 62; stovepipes, defective, 76; stovepipes, through walls, roofs, etc., 19; dry kilns, 9; dry rooms, 20; laundries, 3; water backs, explosions, 8; smoke houses, private, 6; smoke houses, public park, 7; ovens, 8; boiler, 53; boiling grease, 52; fumigating, 12; total, 2,229. Vacancy—Ordinary, 1; temporary, 4; total, 5. Sparks—Mill chimneys, 49; locomotives, steam vessels, etc., 90; on roofs from chimneys, 254; threshing machines, 2; total, 395. Ashes, 70; Naphtha, gasoline, benzine, etc., 59; fireworks, 86; illuminations, wakes, Christmas trees, etc., 36; spontaneous combustion, 251; explosions, 58; sawdust spittoons, 8; rats and mice, 132; pickers, 6; steam dryers, 2; friction, 33; natural gas, 15; sunlight through glass, 2; general conflagration, 480; coffee roaster, 4; total number of fires, 10,102.

Milwaukee insurance men are especially interested in the recent decision of the United States Supreme Court in regard to the **exemption of insurance policies in bankruptcy** proceedings, in view of the investigation of the assets of Frank G. Bigelow, the defaulting president of the First National Bank of that city. According to the Wisconsin laws the exemption depends on the policies themselves, as insurance in favor of certain beneficiaries is exempt:

Subdivision 1019 of Section 2982, Revised Statutes of 1898, provides that a policy on the life of a minor, payable to his father or mother, shall be exempt against the creditors of such father or mother, but not against the creditors of such minor. Again, all moneys arising under any policy of insurance payable to a married woman, or to any person in trust for her or her benefit, shall be exempt from the claims of her husband and the person affecting or assigning such insurance for her benefit, and from the claims of their creditors. In case the premium under a policy for the benefit of a married woman shall exceed $150 annually, and is paid by any person with intent to defraud his creditors, an amount equal to the premium so paid in excess of said sum, with interest thereon, shall accrue to the benefit of such creditor. All money or other benefit, charity, relief or aid to be paid, provided or rendered by any mutual benefit or fraternal corporation, society, order or association providing insurance on the assessment plan, and authorized to do business in this State, shall be exempt against the creditors of a member thereof or to his beneficiary or beneficiaries to the amount of $5,000 in all cases where the insured pays the premium or assessment, or any part thereof, but if any other person pays them the insurance shall be absolutely exempt, for whatever amount. There are fifty ways, more or less, in which Mr. Bigelow may have taken out insurance, in addition to the ways cited. The insurance assigned to the estate, for instance, would not be exempt. Neither would the insurance said to have been taken out for the benefit of the National Electric Company, and amounting to $300,000.

If **Texas legislators are** commonly as **careless** as those implicated in the following incident related by the Dallas *News*, it is not strange that they have difficulty in framing enactments to express what they mean:

An incident of the vigil kept by the State Senators last Friday night which did not then come to the surface has cropped out and is now being related around the Capitol. When the insurance tax bill was under consideration Senators McKamy and Hicks made the principal speeches, the former in favor of raising the rate of taxes on life insurance companies and the latter against such raise. During the course of his remarks Senator McKamy read from a table in the report of the insurance commissioner to show that 3 per cent. was not an unreasonable tax upon life premiums. This table, he said, showed the rate of taxation upon such companies in the various States. He gave the names of a few States in which the rate was 3 per cent. and said it was 5 per cent. Senator Hicks followed him. He picked up the book, glared at the table and said: "Mr. President, I am surprised that the gentleman from Dallas did not read more from this table. I find many States in which the tax upon life insurance is less than 2 per cent.; in fact, 1½ per cent. seems to be about the average. Then he called the names of quite a number of States in which the tax ranged from 1 to 2 per cent. Both of the Senators used the same table to fortify their conflicting arguments and seemingly were satisfied that they had accomplished their purpose. It was discovered afterward that the table from which they read related to the taxation of fire insurance companies, and that the taxation of life insurance companies was shown elsewhere in the book.

"I think the marine insurance companies may take a long sigh of relief now," said a man interested in **marine lines on the Great Lakes.** "The stormy period of May has passed without disaster, and I can't see any danger of shipwreck before September. There is, of course, the possibility of an occasional blow, but a cupful or bagful of wind on the summer lakes doesn't signify. After May 24 the number of shipwrecks on the lakes since the days of LaSalle and the ill fated Griffin, that went to the bottom with his hopes of fortune and a cargo of furs, has been few in comparison with the storms that have swept the lakes in September and October, the crepuscular period of the navigation season. The insurance companies had a rather bad rattle early in the season on account of the ice blockade in the straits and rivers and the fatuity of the vessel owners in persisting in sending out their steamers under the dream that navigation was open. The losses on the Hesper and the Palmer in Lake Superior in May aggregated $130,000, and the losses early in the season will not be known until the ice battered boats have filed their claims. The prospects now are that the balance of the season of navigation will be favorable."

An officer in one of the large industrial companies said recently: "There is at present a great **dearth of** men who will make **competent managers** for industrial agencies. There are plenty of men, it is true, who know how to take hold of an ordinary agency and make it pay. But the kind of man who can hand over a 25 cent cigar, chat with a business man ten or fifteen minutes and come away with his application for $10,000 in his pocket is not always so successful when it comes to climbing the back stairs and spending the evening trying to get the 'old man' to take out a 10 cent policy for himself and a 5 cent one for each of the kids. The two fields are widely different, and the man trained in the one is at sea in the other. But let a good hustler stick to his job through the discouragements and hard times attendant upon the 'back stairs' work, and there is plenty of room for him when he proves himself worthy of a position higher up. There is no reason why a good industrial manager shouldn't draw a larger income than the officers of his company if he's made of the right stuff, and there are some of them that do, but they are few and hard to find."

The resolution adopted at the recent annual meeting of the National Board of Fire Underwriters, to the effect that the **expenses of local and general governing boards** throughout the country be more carefully supervised, has led to the appointment by President Washburn of a committee for that purpose, composed of Manager Henry H. Hall, of the Union Assurance; H. N. Kremer, president of the German American; Vice President E. H. A. Correa, of the Home; Manager Henry W. Eaton, of the Liverpool and London and Globe;

President William B. Clark, of the Ætna; Vice President E. L. Ellison, of the Insurance Company of North America, and Vice President R. M. Bissell, of the Hartford Fire. This committee will put into effect the plan long advocated by Mr. Hall, to whose agitation the present action is due, by which the fiscal year of each organization will be synchronous with that of the National Board, and annual expense budgets shall be prepared and submitted by each board to the executive committee of the national body each year for review one month before the opening of the next fiscal year.

In the case of **Horine vs. the New York Life** insurance company in the Supreme Court at Louisville, Ky., the opinion by Chief Justice Hobson is summarized as follows:

Where one applied for insurance on the 26th day of November and died suddenly on the 29th, three days later, the suit was brought to recover the insurance, alleging that the applicant had paid the premium when the application was made, and there was no receipt relied on, and the oral contract relied on was denied by the company, a peremptory instruction to find for the company was proper. Appellant, upon the trial of this action, offered to prove by a witness that her deceased husband had told her that he had applied for insurance and that he had paid for it by giving the agent credit upon an account he had against the agent, and that the agent had told him he was fully insured, which evidence was properly excluded, for to have admitted it would have been to allow appellant to make evidence for herself. The evidence was only a narration of a previous transaction and was in no sense res gestæ. So also was properly excluded evidence offered by deceased's son to the effect that the deceased told him soon after leaving the agent that he had taken the insurance and had agreed to credit the agent upon his account for the premium, and directed the son to make the credit on the book kept by him, and that he forgot to make such credit. The conversation did not occur at the time of the transaction with the agent, and the latter was not present, and was clearly incompetent.

We have been often asked for the several opinions rendered from time to time by the Supreme Court of the United States on the **status of insurance in relation to commerce.** We reproduce from the Brooklyn *Eagle* this chain of expression on the subject, extending from 1869 to 1895, as follows:

Issuing a policy of fire insurance is not a transaction of commerce, nor are the policies articles of commerce, nor are they interstate transactions, though the parties reside in different States, hence State law imposing license on foreign insurance companies is not a regulation of commerce.—Case of Paul vs. Virginia.

Business of life insurance is not commerce, accordingly State statute regulating contracts between its citizens and foreign corporations is not regulation of interstate commerce.—Case of New York Life Insurance Company vs. Craven.

Insurance corporations of one State doing business in another State, through an agency, are not engaged in commerce between the States.—Case of Liverpool Insurance Company vs. Massachusetts.

Issuing a policy of insurance is not a transaction of commerce.—Case of Philadelphia, etc., Association vs. New York.

The business of insurance is not a matter of interstate commerce, and as such beyond State authority.—Case of Hooper vs. California.

The **Standard Life and Accident** insurance company, of Detroit, has issued a **new contract** of particularly attractive form. The amounts paid for accident and disability are graded according to the premium. For loss of life, both hands or feet, both eyes, or one hand and one foot the principal sum is payable. One-half the principal sum is payable for loss of one hand, one foot or one eye; also if the insured should die within ninety days after exposure or infection of sunstroke, freezing, septicæmia or hydrophobia. Double indemnity is payable for injuries on public conveyances. The beneficiary is also insured under the policy for half the principal sum. Illness indemnity is payable if the sickness is contracted after the policy has been in force sixty days. Annual payment of premiums in advance or maintenance of the policy for a year increases the indemnities 10 per cent., and the same increase is made for each renewal up to 50 per cent. of the principal sum.

Last week's Bulletin of the Insurance Society of New York contains the following **"Tips to Inspectors":**

That fire cannot exist where oxygen is lacking is an obvious truth, and it is on this that the success of the various fire extinguishing powders depends, and also the efficient operation of steam jets, which latter have long been recognized as good fire fighters under certain conditions. Aqua ammonia has recently been added to the list of these extinguishers, as would appear from a recent case where the vapors of a tank containing 50 gallons of gasoline caught fire in the linen room of a laundry. The room was instantly a mass of flames, but a gallon and a half of ammonia water thrown into it completely and almost immediately extinguished the fire. The ammonia was in a glass demijohn in an apothecary's shop next door to the laundry, and was thrown into the room by the druggist as an experiment. To use his own words in reporting the circumstance, "the effect was instantaneous, torrents of black smoke rolled upward in place of the flames, and in a moment every trace of the fire was gone." Use chloride of calcium to keep hydrants, pipes, pumps and buckets of water from freezing. The usual method is to use a common salt or sodium chloride solution, but this corrodes metal, while chloride of calcium is more efficacious and does not cause corrosion.

The **new offices of the** Eastern department of the **Pacific Mutual Life** of California, at 68 William street, are a great improvement over the former quarters of this enterprising agency. The counter and desk room in the main office is larger and more conveniently arranged. More commodious quarters are also afforded Mr. William Bruce Mann, the Eastern manager, and his assistants in the way of private offices. The desks occupied by the fourteen agents are all shut and locked during business hours—a good sign in any life insurance agency. Mr. Mann reports that the Eastern department has up to the present time this year written an amount of business equal to the total amount of last year's business. Mr. Mann has some good hustlers on his staff.

The **position of the Metropolitan Plate Glass and Casualty Company** on the plate glass situation has been clearly defined in a statement issued by President Eugene H. Winslow of that company. He holds that it would not be fair to the brokers who favor the companies with business to disseminate information among the companies concerning the various risks, as would be done through the proposed Survey Bureau, nor that companies which had organized and perfected their own survey service should give it up for the service of the new bureau. The Metropolitan holds that there are other provisions in the proposed compact which would antagonize brokers and incidentally prove inimical to the business, and therefore believes its opposition to certain provisions of the compact to be perfectly justifiable.

The **German American Investment Company** of Minneapolis has been issuing a contract providing that in case of death of an investor within three years after beginning payments on an investment the company will pay $5 for every $1 paid in, and in case of death after three years and before the maturity of the investment $3 will be paid to the heirs of the deceased for every $1 paid in. Commissioner O'Brien, of the Minnesota Insurance Department, has notified the company that it must comply with the insurance laws of the State on account of the insurance feature in its contract. He has also similarly instructed the Duluth real estate firm of W. M. Prindle & Co., which sells land on monthly instalments and deeds the land to the widow without further payment in case of the death of the buyer.

It is the opinion of some liability underwriters that the new laws **increasing the reserves of liability insurance companies,** recently enacted in three States, will do much to lessen the rate cutting evils which have been bothering that business of late.

The new laws require the laying up of a large proportion of the premium as reserve, and the commissions in the business are and always have been high for good business. In consequence the profits will be meagre, indeed, if not altogether wanting unless the companies make the rates adequate and hold to them consistently. The bill on which these laws are based was originally fathered by the wise head of the Fidelity and Casualty insurance company of this city, and its influence, backed by the other companies most interested, has secured its passage in California, New York and Massachusetts.

Comments of the Little Rock *Gazette* **on the anti-trust decision** of the Circuit Court at Little Rock:

In the Pulaski Circuit Court on Tuesday Judge Winfield held, and Judge Lea and Chancellor Hart concurred, that the offense consisted of two elements, belonging to a pool and transacting business in Arkansas. The demurrer of the State to the defendant's answer was sustained. The case will now go to the Supreme Court. An insurance company is a member of a pool in London to fix rates for London. This company transacts business in Arkansas. It is prosecuted under the anti-trust law, and answers that its alleged offense was committed in England and that the Arkansas courts have no jurisdiction. The Pulaski Circuit Court holds that the offense consists of two elements, being a member of a pool in London and transacting business in Arkansas, and that "it takes both of these elements to constitute the offense." So that it is unjust by half to say that the anti-trust act is an extra-territorial law. Only one leg stands outside of Arkansas; the other stands on Arkansas territory.

A decided **drop in** the **marine insurance rates** on cargoes bound **for Eastern waters** occurred this week in consequence of the great Japanese naval success, especially on consignments for Japan. Since the Russian fleet first appeared in those seas the rates have been very high, as much as 2 per cent. being paid in some cases, but on Monday they fell off fully one-third. It will be some time, however, before the rates will be normal, even admitting the complete elimination of the Russian squadron, as Lloyds' agent at Tien-Tsin reports the presence of numerous floating mines in the vicinity of Shantung promontory, and it is supposed that the Japanese did not spare their distribution elsewhere in that region in anticipation of the arrival of Rojestvensky.

In the appealed case of the North British and Mercantile against the Union Stockyards Company the Supreme Court of Kentucky holds that though the **risk was increased** after the issuing of the policy, by the storing of rags without the consent of the insurer, yet if the extra hazardous condition was removed before there was a fire, then the condition remained precisely as when the contract was made, and while the liability of the insurer was suspended during the time of the existence of the condition, if the fire had then occurred the insurer would not have been liable. But if before loss, and during the time covered by the policy, the original condition was restored, the liability of the insured was restored also, and it was thereafter liable for the loss.

The newly chartered **New Jersey State Fire** insurance company of Newark was organized last week by the election of the following officers: Dr. Richard G. P. Dieffenbach president, Herman Schneider vice president, J. A. McKenna treasurer, and Mr. Isenburg secretary. The directors elected were: Dr. Dieffenbach, Mr. Schneider, Abraham Kaiser, Mr. Isenburg, William H. Barkhorn, Edward Birkholtz, Milton Lowy, George P. Pfreundschuh, John Buhl, Harry Berger, Robert O'Gorman, Charles Wincklhofer, D. Valentino, Louis Lewis, Charles Loebel, Louis V. Aronson, Adolph Hollander, J. A. McKenna, William E. Lehman, John Howe and William S. Rosenstrauch. The company has a paid up capital of $100,000 and $25,000 cash surplus.

The United States Circuit Court at Charleston, S. C., last week held that **blood poisoning from a blow is an accident,** in the case of J. A. Carroll, executor, against the Fidelity and Casualty Company of New York. F. G. Stacy, president of the Gaffney National Bank, struck a man for calling him a liar. He cut his fist on the man's teeth and died later of septicæmia. The company contested payment on his $5,000 policy, contending that death was not the result of an accident, but was caused by violent and unlawful means. The court held not that the blow was an accident, but that the breaking of the flesh on the fist and the subsequent inoculation were accidental.

The Supreme Council of the **Royal Arcanum,** at the annual convention in Atlantic City last week, adopted the **raise in rates** recently advocated for that order, and it will be put into effect on October 1, 1905. Per thousand dollars the rate will be $7.56 for members joining at the age twenty-one, under the "trunk line" plan. Formerly the "trunk line" rate on this class was $7.08. The other advances are in proportion. The "trunk line" rate is constant from date of entry to age sixty-five, when the member takes the level rate of $9.72 per thousand for the rest of his life. A member may, however, take a level rate for life with reserve accumulations.

An order **revoking the license** of Van B. Lady, State agent **of the Mutual Reserve Life** insurance company at Omaha, Neb., has been issued by Auditor Searle, of that State. This action was taken by the Auditor on the alleged ground that Lady said, after the recent "turn down" of the company's application for a license, that the company could "buy its way in," and that he reflected in other ways on the administration of that office. An affidavit to that effect has been filed with the Auditor. If he did say so, it was certainly a thing no Lady should have said. Anyway, the company was admitted later, which is a "sufficiency."

The ex-convict, **Samuel Lobley,** on trial for swindling the Equitable Life Assurance Society out of $50,000, or more, **pleaded guilty** on Thursday to the charge of grand larceny in the first degree, in the County Court, Brooklyn. When first indicted he seemed inclined to fight the charge, but the appearance in court of Emil Neumer, the Equitable clerk, his alleged accomplice, apparently caused him to change his plans. Lobley says that the scheme by which the Cotton policy was stolen and bogus loans secured on it was Neumer's brain product, and that he merely cashed the checks. He also implicated others. He was remanded for sentence.

The **receiver of the** defunct **Continental Life** insurance company of Des Moines, in his report just filed, alleges that "deliberate fraud and bold misuse of funds" were discovered in the management of that company. The report says that what he found was "not an insolvent corporation ready at hand to be legally wound up, but a corporation wrecked and ruined and its effects in the possession of a Missouri corporation, known as the Fraternal Bond, and every effort to get at the facts or gain possession of the real facts and property met by denial of either knowledge or possession."

Decision in the case of suit of the city of **Newark against the Newark Fire Insurance Exchange,** hearing on which was concluded on Monday, was reserved by Vice Chancellor Stevens, and will probably be handed down shortly. It was charged that the companies violated the New Jersey anti-trust statutes in maintaining the Exchange. The defense of

the companies is that the organization is beneficial to property owners in reducing the fire hazard, and a means of affording cheaper insurance rates by reason of co-operation among the companies in the rating of risks.

Marine underwriters have had **serious experiences with cotton** baled in America on account of "spontaneous combustion," contact with grease, "sparks from iron bands" and other causes, and have come to the conclusion that much more care should be used in preparing this staple for shipment. Cotton baled in India and Egypt is compressed much more, and the fire experience has been increasingly favorable. A committee of Liverpool underwriters recently reported that the root of the evil in fires in cotton lies altogether in the packing, says the *American Syren and Shipping.*

If the present plans bear fruit the **Cincinnati Salvage Corps** will soon be dashing to fires in an **automobile,** or motor wagon. For some time past the possibilities of using motor wagons to haul the Salvage Corps and their tarpaulins to fires have been considered by Captain Conway and the underwriters of that city. The captain has had plans made of the style of wagon that will be necessary, and is now investigating the various motors and gearings to find something which will suit the style of car he wants.

The recent meeting of the Switchmen's Union of North America devoted much attention to its insurance branch, as **switchmen are unable to secure insurance** in regular life and fraternal organizations, owing to the hazards of their occupation. The order has been furnishing two classes of insurance, one carrying indemnity for $600 with a monthly payment of $1, and another of double that amount, with a double premium. A third class has now been established, carrying a policy of $300, at a monthly premium of 50 cents.

The **Washington Life** insurance company has made an important addition to its ranks by the appointment of James F. Cavanagh as manager for the Massachusetts agency, with headquarters in Boston. Mr. Cavanagh is a believer in the future of the Washington Life, a man of strong personality and high social standing, well known throughout the whole New England field. His first business experience was as a boy in the firm of John C. Paige & Co., insurance brokers in Boston, where he shortly proved his ability.

The rules governing the **employment of solicitors in Boston** and thereabout, amended as described in our issue of last Saturday, were adopted with but slight opposition—on the surface, at least—at a meeting of the Boston Board of Fire Underwriters Wednesday. On "the street," however, it is talked that quite a number who didn't like the proposition didn't dare to "speak out in meetin'," and, as one agent expressed it, "the vote was altogether too d——d unanimous" to fit with the facts of the situation.

Arrangements to start a **"participating plan" fire insurance company** were made last week by the United Real Estate Owners of the City of New York at a meeting of that association. The plan is to have $200,000 capital stock, with $100,000 paid in surplus. The shares, at a par value of $10, will be sold at $15 to raise the surplus. The company will be run on lines similar to mutual life insurance companies, and will be known as the Real Estate Owners Fire insurance company of New York.

It is announced that Mr. W. L. Pettibone, of the firm of Daniel Woodcock & Co., Eastern managers of the **Queen City Fire of South Dakota,** is now planting the company in the States of Ohio and Pennsylvania, and has made the following appointments: James F. Stone & Co., Philadelphia; Frank T. Lockhart, Pittsburgh; O. N. Beach & Co., Cleveland; William D. McIntire, Springfield; Priests & Feaster, Columbus; J. M. Sears Insurance Agency Company, Cincinnati.

A communication from the president of the **United States Life** insurance company says that there has been no justification for the statement recently made connecting the name of the company with the Merchants Trust Company. The United States Life insurance company has not now and never has had any connection whatever with the Merchants Trust Company. It has no account with that company and is not interested in any of the securities held by it.

The Mutual Life of New York has just made a settlement of a policy in Chicago which shows **unusually good returns.** It was issued August 6, 1862, to Alexander Lang Whiteman, on the ordinary life plan, for $2,000, with an annual premium of $40.94, at age twenty-six. Mr. Whiteman died March 19 of this year, having paid $1,760.43 in premiums. The payment was $3,636, a return over cost of $1,875.57, with protection for $2,000 for forty-three years.

Mr. MacLear, when he resumed his argument, contended that the business of insurance is trade and commerce and should be governed by the same rules and regulations and laws that apply to other branches of trade and commerce.

Mr. MacLear was arguing for the **suppression of the Newark Insurance Exchange,** in the Attorney General McCarter case, at Newark this week, and the above was part of his plea. Curiously enough, the Supreme Court of the United States disagrees with the Newark lawyer.

A number of **Western agents of the Connecticut Fire** resigned from the company prior to May 31, although graded commissions were to be paid to that date. Among the larger cities in which the change has already taken place are the following: In Illinois—Peoria, Springfield, Joliet and Moline; Indiana—Crawfordsville, Kokomo, Elwood, Connersville, La Porte; Wisconsin—Neenah, Prairie du Chien, Oconto and Fond du Lac.

The **Knights of Pythias (dark)** of North America, South America, Europe, Asia, Africa and Australia, with headquarters at Charleston, W. Va., have been curtailed in their insurance operations by the refusal of Superintendent Drake, of the District of Columbia Insurance Department, to allow a crusade for business into his domain. He refused them a license for night before last, last night, tomorrow night and "every dam night."

The **Coast Review Fire Insurance Chart** for 1905, just issued, shows concisely the condition and affairs of all fire insurance companies authorized to transact business in the Pacific West, with several years' general and Coast figures, business by general agencies, by States and Territories, etc., with other valuable information in compact form, pocket pamphlet size, published by the *Coast Review,* San Francisco, Cal.

The **loss on the Chicago Car and Locomotive Works** at Hegewisch, closely connected with the failure of the National

Bank of North America and the arrest of President I. N. Perry on charges of arson, which were lately dismissed, has been compromised on an adjustment of $13,927. Proofs of loss were not filed at the time of the fire owing to the charges made, but some months later a claim of $21,000 was filed.

By virtue of a law enacted by the Massachusetts Legislature this year Mayor Collins of **Boston** has appointed Nathan Matthews, Joseph A. Conry and Henry Parkman commissioners to determine **the height of buildings** in the residential section, the "District B" of the act, which may be between 80 and 100 feet, except in streets adjacent to the State House, where 70 feet is the height limit.

The eighth annual convention of the **Fire Underwriters' Association of Texas** was held last week at Fort Worth. A new constitution and bylaws were adopted. T. L. Conroy, of San Antonio, was elected president; W. L. Foster, Fort Worth, and J. Singer, Galveston, vice presidents; F. L. Johnson, San Antonio, secretary and treasurer, and J. D. Collett, Fort Worth, chairman executive committee.

At **Chicago** three **new life insurance companies** are reported to be in process of organization: the American Mutual Life, $500,000 capital, $500,000 surplus, Geo. W. Riggs, First National Bank Building, manager; Actuaries' Life, $200,000 assets, half capital and half surplus, J. Ellsworth Griffin, manager, and the Acme Life, $100,000 capital, $100,000 surplus, stock selling at $10 a share.

The **Greensboro Life insurance company** has been organized at Greensboro, N. C., with $1,000,000 authorized capital, 10 per cent. paid in and $25,000 surplus. J. W. Fry, president of the Greensboro Loan and Trust Company, is president; E. Colwell, Jr., secretary and treasurer, and Dr. J. F. Battle, medical director. Mr. Colwell is an insurance agent.

The judgment of the Superior Court at Boston for defendant in the case of **James F. Chace,** manager in that city of the United States, **against** his former employer, the **New York Life,** seeking for the recovery of renewal commissions on policies written by him for the latter company, has been sustained in the Supreme Court.

Rousing **rallies of Prudential agents** were held in Indianapolis, Louisville and other Western cities in May in honor of the visits of Vice President Dryden, Medical Director Burrage and other officers of the company. At the Indianapolis meeting there was a fife and drum corps made up of Prudential agents from Terre Haute.

The Civil Tribunal of the Seine at Paris, France, decided on Wednesday that Madame Syveton, widow of the French political leader, **Gabriel Syveton,** who died under mysterious circumstances last December, is entitled to the $30,000 **insurance** on the life of her husband, which was written by an American company.

The **new building code of the National Board** of Fire Underwriters adopted at the recent annual meeting is being sent broadcast through the country to the mayors of all cities having 5,000 or more population. An accompanying letter points out the necessity for better building laws and urges reform in this direction.

The **Travelers insurance company** of Hartford announces to its field force that the physicians' and surgeons' liability line has not yielded satisfactory results, and is considered generally undesirable by the company, and therefore the company has decided to cease writing this line on and after June 1, 1905.

At a meeting of the **Insurance Survey Bureau** at Chicago on Thursday it was unanimously voted to disband that organization, on the ground that the Western Union having decided to establish an inspection department of its own, a duplication of its work would be unnecessary expense to the companies.

Fifty applicants tried the recent **examinations of the Actuarial Society of America** for admission as associate members. Of this number only six passed. Edward B. Morris and Joseph H. Woodward, of the actuarial department of the Travelers of Hartford, were among the successful candidates.

A **new casualty insurance company** is **proposed** at Chicago by Mr. S. L. Strauss, insurance manager for a department store there. The capital is mentioned at $250,000. A new company in the same line is in embryo at Boston, and it is possible that the two may be combined with $1,000,000 capital.

The **Delta Insurance Agency** has been organized at Greenwood, Miss., to do a general underwriting business, and will represent a number of the best companies in all lines. Its officers are G. A. Wilson president, S. S. Steele vice president, and R. T. Pritchford secretary.

For the first time in twelve years two weeks have passed without any **deaths from diphtheria in Boston.** This happy result is ascribed to the discovery and introduction of antitoxin about two years ago, since which time the death rate from the disease began to diminish.

The act providing for the **inspection of steam boilers in Massachusetts,** adverted to in previous issues, became law on Friday afternoon of last week, the last day of the session of the 1905 Legislature, by the signature of Governor Douglas.

The committee in charge of the joint meeting of the **field men of Ohio, West Virginia and Michigan,** to have been held at Put-in-Bay this month, has postponed it to July 19-21, in order to avoid conflicting with other insurance gatherings.

The **Hartford Fire** announces that pending the judgment of the Supreme Court of **Arkansas** on the company's appeal from the recent decision on the validity of the anti-compact law it will continue to transact business in that State.

Cards of **invitation** are being sent out **by President Clark, of the Ætna of Hartford,** to inspect the new fireproof office building of that company, 662 to 680 Main street, Hartford, on the afternoon of June 8, from 3 to 5 o'clock.

French policyholders of the Equitable at Paris have formed an association for the protection of their interests,

similar to those organized recently in various parts of the United States by enterprising legal lights.

At the May meeting and dinner of the **New York Life Underwriters' Association** last week thirteen new members were admitted, and Mr. F. W. Bliss was elected treasurer, succeeding Mr. Archibald Arthur, resigned.

The summer meetings of the **New England Insurance Exchange,** which has now entered upon its vacation, will be held June 10, July 15 and August 19, and the regular meetings will be resumed September 23.

The **Southwestern Life** insurance company of Dallas has established itself in Virginia, with headquarters at Richmond, under the management of E. H. Kabler, a well known life insurance agent of that State.

The **"Essential Statistics"** of twenty-four represenative life insurance companies are contained in a well arranged chart by Benjamin F. Brown, life insurance statistician, of 159 Devonshire street, Boston.

The **Wabash Fire** insurance company, recently reorganized at Hammond, Ind., has appointed Dickson & Tweedale, of New York, agents for surplus lines in the East and South.

The **United American Fire** insurance company of Wisconsin, organized in 1898 with $50,000 capital, has doubled that sum, and will shortly enter other States for business.

Women as risks are hereafter to be barred by the Michigan Mutual Life insurance company, its experience in the petticoat line, as it claims, having proved costly.

The New York Life having set the example by publishing the salaries of its officers, won't **Brother Eldridge** of the Mutual Reserve oblige?

The **City of New York insurance company** has been licensed in Illinois.

The **Western of Pittsburgh** will shortly enter Indiana and Wisconsin.

Personal.

AGENCY APPOINTMENTS.

City of New York: R. M. Coyle, sole agent, Philadelphia, Pa.; Wile, Loeb & Gutman, agents for Cook County, Chicago, Ill.

Girard: Hawley & Reed, Cleveland, Ohio.

North British and Mercantile: F. R. Reynolds, Paterson, N. J.

North River Fire: A. P. Haldane, Paterson, N. J.

Mr. Herbert Wilmerding, late special agent of the National Board of Fire Underwriters, and secretary of the Committee of Twenty on congested districts in cities, died on Tuesday last in New York from tubercular meningitis. Mr. Wilmerding was a native of New York, where he was born in 1860. He was educated in Germany, France and at Trinity College, Hartford, and entered the insurance business in the office of the Phœnix Mutual Life of Hartford after leaving college. He was in the service of the Continental of New York at its home office eight years, and represented it as assistant manager on the Pacific Coast, and subsequently acted in the same capacity for the Lancashire. His most important work in fire insurance was rate making in Philadelphia, in which his executive ability and rare judgment served to bring order out of a previously very chaotic condition. Mr. Wilmerding's success at Philadelphia induced the Committee of Twenty to call him to the executive charge of its transactions, and only when increasing ill health disabled him did he retire. He was a very valuable man, and a gentleman esteemed by all who knew him.

Mr. Frank M. Grier, field superintendent of agents for the Northwestern National Life, has gone over to the National Life of the U. S. of A., with ten or fifteen of his agents. Mr. Grier has been appointed Michigan manager of the National Life, succeeding George L. Sylvester, who will be transferred to another field after he has helped Mr. Grier get located.

Major Seth A. Raulett, city treasurer of Newton, Mass., for several years with the old Neptune Fire and Marine insurance company, and later secretary of the Washington Fire and Marine insurance company some time ago, died of pneumonia at his home, West Newton, Mass., on May 21. He was born in 1840 and served with distinction in the Civil War.

Mr. C. M. Avery has resigned as State manager of the National Life of Vermont in Alabama, to take a similar position with the Prudential Life, with headquarters at Montgomery. Mr. Avery has been in the insurance business only two years, beginning with the Prudential, and had had the management for the National Life for several months.

Mr. Edward Payson Boone, for many years in the employ of Field & Cowles, Boston, where he was in charge of the policy department, died Tuesday morning after a lingering illness, aged sixty-six. He was a lover of rare old books. His son, Mr. E. P. Boone, is connected with the Underwriters' Bureau of the Middle and Southern States.

Mr. Edwin G. Seibels, the well known Columbia, S. C., underwriter, has accepted the Southern management of the Royal Exchange Association, which was recently tendered him by United States Manager Crosby. While not yet officially announced, the statement is made on good authority. Mr. Seibels recently returned from abroad.

Mr. Hubert H. Ward, Ohio manager of the State Mutual Life insurance company, and famous as "Talk with Ward" and for his successful administration last year as president of the National Association of Life Underwriters, has decided to give up life insurance work, and on July 17 will become a manufacturer.

Messrs. Wall & Whittemore, representing twenty-three fire insurance companies in St. Louis, have withdrawn from the St. Louis Insurance Agents' Association on the ground that a "certain and large number" of members of the association have appointed as agents persons not affiliated with the association.

Mr. James W. Covington, for a number of years special agent of the National Board in the Southern States, and formerly general agent of the Hartford Fire in Texas from 1885 to 1895, died of paralysis at Yoakum, Tex., May 23. He was seventy-three years old and a Confederate veteran.

Judge John B. Ogle, a well known insurance agent of Mankato, Minn., attempted suicide there last week by taking laudanum. He was resuscitated, and after recovering confessed to many forgeries. He disappeared for a time recently in company with his stenographer.

Mr. Walter F. Ellis, who was with the New York at Boston in 1901, and since then has been district agent of the Northwestern at Buffalo, has returned to Boston, succeeding Mr. Cavanagh as agency director of the Atlantic branch of the New York Life in that city.

Superintendent of Agents Frank M. Grier, of the Northwestern National Life insurance company, has resigned to accept the appointment as Michigan manager of the National Life insurance company of the U. S. A., succeeding Mr. George M. Sylvester.

Mr. Frank A. Nutt, for many years in the employ of the John C. Paige & Co. agency at Boston, has been appointed special agent of the New England department of the American of Newark, which began business Thursday under Manager H. J. Ide.

Mr. A. B. Stewart, former assistant superintendent of the Northern Alabama division of the Metropolitan Life, has been transferred to the Atlanta office, and is succeeded by J. A. Lipps, formerly agent at Gadsden, Ala.

Mr. James F. Cavanagh, formerly manager of the Atlantic branch office of the New York Life at Boston, on Thursday last entered upon his appointment as manager for Massachusetts of the Washington Life.

Mr. G. H. Worthington, for several years chief clerk of the Connecticut's Western department at Chicago, has been appointed assistant Western manager of the Delaware and Reliance insurance companies.

Mr. J. H. Strong, Illinois manager for the United States Life, has resigned, and has been appointed general agent for Chicago for the John Hancock Life. Mr. Strong is active in Republican politics.

Mr. James J. Shahan, an insurance agent well known in Saratoga, Albany and Utica, and a resident of the latter place, died there of consumption May 22, aged thirty-three years.

Mr. Oscar A. Craine, who was some time secretary and treasurer of the Security Trust and Life, died at Altoona, Pa., May 13, from consumption, aged thirty-seven years.

Col. J. H. Strong, recently resigned as Illinois manager of the United States Life, has been appointed general agent of the John Hancock Mutual Life at Chicago.

Mr. J. F. Huntsman, of the New York branch office of Starkweather & Shepley, is in Europe. He will return about July 5.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Florida.

Tallahassee, Fla., May 24.—The State Insurance Bill passed second reading in the House today. This is the administration measure. The other bill, by Mr. Hudson, was withdrawn

The latter provided for a paid commission, and was a much more dangerous bill.

Tallahassee, Fla., May 26.—The administration State Insurance Bill passed the House today without debate. Will hardly pass Senate.

Massachusetts.

Boston, Mass., May 24.—The Senate has passed to be engrossed the House Bill No. 1275 for the better inspection of boilers, but amended to provide for a fee of $2 for external inspection and for reports of such inspection. The House concurred with the amendment under suspension of the rules.

Boston, Mass., May 25.—The Legislature was prorogued today.

Michigan.

Lansing, Mich., May 24.—House Bill No. 268, by Mr. McKay, conferring authority upon fire and marine insurance companies to insure property against loss or damage by lightning, has passed both houses.

House Bill No. 267, by Mr. McKay, regarding investments of fire and marine insurance companies, has passed both houses. It is merely an amendment to Section 8 of Act 136 of the Public Acts of 1869, and defines the term "net indebtedness" as relating to bonds of cities, etc., as denoting the "indebtedness, etc.," omitting debt created for supplying water and deducting the amount of sinking funds available for the payment of such indebtedness.

Wisconsin.

Madison, Wis., May 24.—Governor La Follette has returned with a veto House Bill No. 545, by Mr. Crowley, "An act providing for licenses to agents to procure fire insurance in unauthorized companies," and the bill was killed on vote of the House.

Madison, Wis., May 25.—The House has passed House Bill No. 113, by Mr. Bletcher, "A bill to amend Section 1,950 of the Statutes of 1898 providing for the valuation of policies of life insurance, and requiring that the compensation for valuation be paid into the State treasury, and providing for the appointment of actuaries."

The Senate has also passed House Bill No. 253, by Mr. Bletcher, "A bill to regulate the examination of insurance companies."

The Senate has passed Senate Bill No. 361, by Mr. Hudnall, relating to the license fees of casualty and surety companies; also Senate Bill No. 305, by Mr. Hudnall, placing a 3 per cent. tax on the gross income of fire and marine insurance companies.

Madison, Wis., May 25.—The House Committee on Finance, Banks and Insurance, to whom was referred the substitute for House Bill No. 434, by Mr. Dahl, a bill for the taxation of life insurance companies, have reported the same back with the recommendation that it be indefinitely postponed.

Miscellany.

The Equitable Life Assurance Society.

The board of trustees of the Equitable Life Assurance Society convened, in accordance with the call issued some days previous, on Wednesday, May 31, to receive the report of the board's committee of investigation, of which Mr. H. C. Frick is chairman.

The proceedings at this meeting are largely a matter of rumor, as no official report has been given out, and the report of the committee had not been made public at the hour of our going to press Friday afternoon. It is known, however, on good authority that the reading of the report occupied an hour and a half, and caused much feeling and an acrimonious discussion which was not terminated until an adjournment was had to Friday morning, the various factions, now increased to three or four, in the meantime between meetings holding many conferences.

The consideration of the report was resumed by the trustees on Friday morning, and the meeting is still in session as we go to press. It is therefore only possible to print more or less well authenticated accounts of the nature of the report and its effect upon the parties most interested. It is said that the report severely condemned the management of the Equitable Life for wastefulness and extravagant expenditures, while bringing no charges of dishonesty, and practically called for the removal from office of Messrs. Alexander, Hyde and Tarbell. The report, it is also said, disapproved of the deferred dividend plan on which so large a part of the company's business is done, and recommended its discontinuance.

From outside symptoms it is evident that the report met with the serious disapproval of the Hyde and Alexander-Tarbell interests, and that they have since been busily preparing to secure its defeat by a majority of the trustees. One accusation freely made on behalf of the officers is that the purpose of the report is to advance the power of the Harriman interest and give it control of the company.

The latest statement current yesterday afternoon was that the Frick committee on Thursday appointed a sub-committee to consider and make nominations for new officers of the company. It was expected that a vote would be taken on the acceptance of the report before adjournment, and it was believed that some of the trustees, possibly a majority, were in favor of withholding the report from the public for the present, or at least until its exceeding drastic language could be toned down.

This was the situation at 3 o'clock yesterday afternoon when our forms closed.

JUSTICE MADDOX'S DECISION.

As was announced in our issue of last Saturday, Justice Maddox, of the New York Supreme Court at Brooklyn, on May 26 rendered an opinion upon the application of Franklin B. Lord for an injunction to restrain the Equitable Life Assurance Society from carrying into effect the proposed mutualization plan recently adopted by the board of directors. The application was granted; the effect of the decision being to tie up temporarily the matter at issue until it can be heard on appeal. After an elaborate statement of the case and the contentions of counsel, Justice Maddox said:

The question now to be considered is whether the proposed amended charter is violative of the protection given by the Federal and State constitutions, it being claimed by the stockholders now before the court that the contemplated change will deprive them of property and of property rights.

The stockholders of the defendant company are members of the corporation, are the equitable owners of the corporate property, and the right of a stockholder to vote upon his holdings of stock is a property right, "one of the essential rights of ownership"; hence, the right of a stockholder to participate in the selection of those who are to be vested with the exercise of the corporate powers, the board of directors, is an attribute to his shares of stock, which has been "defined as a right which its owner has in the management, profits and ultimate assets of the corporation."

The persons who originally subscribed and paid for shares of the defendant company's capital stock did so, it is to be presumed, upon the faith of the declaration of incorporation, the provisions of the law under which the company was formed, and, also, the provisions of the Revised Statutes applicable thereto, which assured to the stockholder by reason of his right to vote for all the directors that measure of participation in the control and management of the corporation, its property and affairs.

It is now proposed that the stockholders shall have the right to vote for and to elect but six-thirteenths in number

of the directors hereafter to be elected, and if the board shall consist of fifty-two persons, then the stockholders may, by a plurality of their votes, in person or by proxy, elect twenty-four only, and in that ratio, if the number be diminished, but such "proportions shall not be changed without the consent of three-fifths of the stock of the company." Thus the stockholder has lost the right to vote for all, and as well a majority, of the directors, and that would prevent him "from exercising one of the essential rights of ownership."

On the argument it was asserted by both sides that there were upward of 600,000 policyholders, scattered all over the world. That being so, the right to vote by proxy relieves those not living conveniently near to the place of annual meetings from the necessity of travel. But assume, for the sake of argument, that a majority of the policyholders availing themselves of the voting privilege, waiving for the time the question of legality, vote by proxy, and such proxies are controlled by persons whose interests and desires may be inimical to the rights and interests of the stockholders, and the opportunity for the absolute loss of control by the stockholders is presented. Consider the possibility: there would be the policyholders' majority, twenty-eight to twenty-four, as the board is proposed to be constituted, with the selection by that majority of a policyholder for president and the filling of the offices of the company with policyholders or persons not stockholders, and then calmly answer the question: Have the property rights of the stockholders been invaded or destroyed?

To deprive an owner of property of any one of "its essential attributes is depriving him of his property," and the contemplated change of charter would deprive the stockholder of his property.

It is unnecessary on this motion to express any opinion as to the rights of either the policyholders or stockholders to the surplus or any part thereof. Indeed, the policyholders are not before the court, none having intervened, and this question should await the trial of the action, when, if found necessary, the court may direct that they be brought in. Suffice here to say that plaintiff and the intervening defendant stockholders claim to be entitled to some part and share in the surplus. Whatever right, if any, the stockholder may have to the surplus grows out of his being the owner of shares of the capital stock of the company, and must await final distribution, while here the policyholder's right is dependent upon his policy and its continuance, and "must be determined by the terms of that instrument."

The internal differences between some of the gentlemen most prominently concerned with the management of the company have had no weight with the court on this motion, and comment upon the allegations touching such disagreements is unnecessary. The court has nothing to do with the reasons or purposes actuating either those who have sought to bring about the contemplated change of charter or of those who now seek to restrain its effectuation. The intentions of all are presumed to be for the good of those interested, and it is for this court only to consider and fearlessly to determine the questions presented.

The motion to strike out certain statements contained in plaintiff's moving papers and in McIntyre and Hyde's intervening petition is denied. The motion is therefore granted, but limited to the filing and effectuation of such proposed amended charter, for it appears that such contemplated amendment has been adopted and executed by the board of directors.

Attorney General Mayer, in view of the decision of Justice Maddox, announced that he would withhold action on the proposed amended charter of the company, which had been referred to him by the Superintendent of Insurance, while the matter was being further adjudicated in the courts.

On Monday President Alexander made public a communication addressed by him to the managers and agents of the company embodying the opinion of counsel for the company as to the scope and effect of the decision of Justice Maddox. The statement was signed by William B. Hornblower, Adrian H. Joline, William N. Cohen and Charles H. Hughes, and held that the decision was clearly erroneous and would be reversed on appeal. It said in part:

The decision of Mr. Justice Maddox involves most far reaching consequences and momentous results, not only as to this society, but also as to all other companies organized under the General Insurance Act of 1853. If the opinion of Mr. Justice Maddox stands as a correct interpretation of the legal status of this society, a single stockholder has the legal right to defy the wishes of all the remaining shares and of the board of directors and of the policyholders and to prevent any concession whatsoever to the claims of policyholders to a share in the management of the assets of this society.

We are of the opinion that the learned justice has fallen into error as to the true interpretation and effect of the statutory law of this State as applied to the charter of this society and the powers of the board and the rights of the policyholders and stockholders. To acquiesce in this decision would be to abandon what the board of directors have heretofore undertaken to accomplish in the direction of mutualizing this society so as to carry out in part at least what the founders of this society had in mind when the charter was adopted.

The amended charter now before the Superintendent of Insurance for his approval embodies the unanimous result of the views of the members of the board and confers upon the policyholders the right to elect a majority of the board. It would, in our opinion, be most injurious to the interests of the society and to its future welfare and its permanent prosperity if the amended charter should not be carried into effect, by reason of the injunction granted by Justice Maddox, and we are firmly of the opinion that the Appellate Court will decline to approve of the views expressed by Mr. Justice Maddox as to the validity of the proceedings of this board in adopting the amended charter.

Mr. Samuel Untermyer, counsel for Mr. Hyde, being asked to comment on the above statement of the lawyers for the company, said:

I can only say that we are satisfied of the correctness of the determination by Mr. Justice Maddox of the difficult questions of law involved in this controversy. While the defeated party in the olden days was regarded as having the option of either appealing from the decision or adjourning to the corner tavern to criticise the court, not even that ancient custom accorded them the unusual privilege of both remedies.

NO FEDERAL INTERVENTION.

The following is an extract from the letter of Secretary Metcalf, of the Department of Commerce and Labor, to the President, in reference to the letter of Mr. William F. King to the latter suggesting the appointment of a commission for the investigation of life insurance, and a letter of Mr. Ralph W. Breckenridge in reference to Federal supervision of insurance:

The question of the power of the commissioner of corporations to compel the attendance of witnesses and the production of papers in any investigation of an insurance company has been thoroughly considered. In view of the decisions of the Supreme Court of the United States that insurance is not interstate commerce, I am of the opinion that it would be unwise to attempt such an investigation as is suggested by Mr. King. The information which the commissioner of corporations could obtain would be only such as would be voluntarily afforded by any insurance company. The question of presenting this issue again to the Supreme Court has received much attention. A bill was introduced by Senator Dryden, which, if enacted, will make it possible to so present the matter to the court as to clear away any doubts that now exist.

The Equitable policyholders' meeting at Columbia, S. C., passed resolutions expressing confidence in the stability and solvency of the Equitable Life and the following:

Resolved further, That this meeting of the policyholders of the Equitable Life Assurance Society of the United States expresses their sincere and hearty wish that the present difficulties existing in the management of the society should be speedily and amicably adjusted, without resort to any further litigation, and that such plan will be adopted to secure harmony and such a satisfactory solution of the present difficulties as will tend to continue the prosperous condition of the society and increase the same.

The Actuarial Profession.

Mr. William J. Graham, of the actuarial department of the Metropolitan Life, has contributed an article on "Actuaries in Life Insurance" to *The Business Man's Magazine and Bookkeeper,* from which we make the following extracts:

It must not be thought that a proficiency in the applications of the mathematics makes up the requisites for a competent

actuary. For life insurance is intimately connected with many branches of knowledge, and the actuary, as the scientist in chief of the insurance company, must have a comprehensive grasp of many of the other fields of professional endeavor—particularly so in the absence of specialists to represent these classes. Even in the association with men equipped to care for certain special interests, such as legal counselors and medical directors, it becomes advisable to have in the actuary a man capable of appreciating and reconciling the somewhat conflicting opinions likely to be held at times among men who, as professionals, see from biased viewpoints. While the administrative officers of the companies have a well grounded working knowledge of actuarial science, it is unusual here, in America, for executives to be endowed with the technical training of an actuary. Professional possibilities for the actuary are not, therefore, so large as in England, where it is the custom to advance into administrative office men considered to be qualified by actuarial service. Many well informed insurance men see within our country a drift in the same direction. To properly measure this one must take into account the peculiar history of life insurance in America.

The oldest of our present prosperous companies was started in 1848, and many of the others much later. In the early days of insurance—fraught with much uncertainty, and later with many failures—there was little competent advice to be had, and no actuaries worthy of the name. Soon, however, as the men in control of the business began to gather a better idea of the scientific nature of their enterprises they sought scientific assistance, and attracted to themselves mathematicians from the kindred pursuits of engineering, astronomy and pedagogy. Among these men were those who applied themselves seriously to actuarial studies and later developed into leaders of actuarial thought. It must be remembered that the manager had preceded the actuary, had introduced and produced the actuary, and developed alongside of him—the one with broad general attention to the many sided aspects of the business, and the other with special stress to the duties of actuarial service. It is not to be expected, therefore, to find within a generation more than a comparative few actuaries in executive office.

A distinguished ex-president of the British Institute of Actuaries, treating the scope of actuarial knowledge, says: "Every problem in life insurance administration—the scope of investment, the ratio of expenditure and the amount of new business, which will properly produce a favorable or disadvantageous effect on profits—possesses an actuarial aspect of definite significance, and demands an application of professional knowledge and experience."

Life insurance in America has been fortunate in the calibre of the men into whose hands the reins of office fell. Their commanding ability is attested in unmeasured volume by their achievements—unparalleled by the history of any institution, of any country or any time. If to executive genius of the kind possessed by these men a man brings technical actuarial knowledge he supplements his primary capacity in an important particular. The same may be said, to different extent, of the capable manager who adorns his office with a professional knowledge of other special branches of life insurance learning, such as medicine or law.

Happy examples of these three cases are already at hand.

It is fair to assume that the man of executive capacity when properly credentialed as an actuary will have an advantage in qualification for administrative duties that is calculated to broaden the profession in two ways—by the advancement of the actuary to executive office and by the professional vacancy he makes for others to fill. The promise of a widening field is about the most hopeful feature an outside aspirant can find in contemplating actuaryship as a profession, and even this hope is vague and limited—for the number of companies engaging actuarial talent are few and not increasing. For this reason actuaries, as a rule, decline to give importance to the profession as an opportunity for the young man of brains and education. In their contributions on the topic of their profession they conscientiously avoid treating the service as a means of livelihood, fearing to overestimate the field, and preferring to deal with the subject more broadly in its concern to professional and business men of well rounded information.

It is in this purpose, and not in pretense of training actuaries, that the various universities and colleges have installed insurance courses. Considering the present colossal proportions of the insurance business and its momentous future, the idea of inculcating elementary insurance principles into the college men of today is an excellent and worthy one. Insurance will thereby gain the weighty support of these men as, in later life, they take their places among the leaders in professional and business endeavor.

Within the last two or three years insurance has been introduced in curriculums to extents varying from Yale, with its insurance professorship, to some of the smaller colleges of the South, where occasional lectures are given. Among the more important educational institutions treating insurance may be named the University of Toronto and Trinity University, of Canada; Cornell, Harvard, Pennsylvania, University of Illinois, Northwestern University, Williams College, University of Wisconsin, State University of Ohio, University of Chicago, Boston University, University of California and numerous others. The University of Michigan has one of the more thorough courses under the supervision of Dr. James W. Glover, a mathematician of distinction. Dr. Glover has earned the admiration of the profession by his application of the higher mathematics to the framing of a mathematical mortality table, utilizing the method of "frequency curves" or "moments"—after the fashion of Prof. Karl Pearson, in his biological investigations. The University of Michigan is the only school said to be ambitious to prepare candidates for the first or entrance examinations of the Actuarial Society of America.

This society has acknowledged control of the actuarial profession in America. With few exceptions its ranks include all men entitled to the dignity of the name actuary. The society was not formed as early as might have been, because the actuaries qualified to found the organization judged it better to wait until the evolution of insurance affairs introduced into actuarial chairs incumbents worthy of professional equality. The result has evidenced the wisdom of the organizers, for today membership in the Actuarial Society of America is universally recognized as a diploma of professional proficiency. Despite its youth the society numbers its full quota of names great in science, and takes rank among the foremost of similar organizations throughout the world.

Entrance to the Actuarial Society is won by written examination. Upon passing two acceptable examinations, which may be taken on consecutive days or different years, the candidate is admitted as an associate member. The first of the associate examinations covers the branches of pure mathematics necessary to introductory actuarial study, and therefore includes arithmetic, algebra, geometry, theory of probabilities, doctrine of interest and annuities certain, principles of bookkeeping, the theory and use of logarithms, elements of finite differences, with special attention to the advanced algebraic principles of series, binominal theorum, and permutations and combinations.

College graduates who have elected mathematical courses should find no great difficulty with this first part—but before they can be admitted as associates they must pass another examination, or rather the second part of the first exmination, and to do this requires a good knowledge of insurance theory and practice.

The subjects, in this second section of the associate papers, embrace the application of the theory of probabilities to life contingencies, theory of annuities and insurances, computations of premiums and valuations of contracts for single and joint lives, nature of insurance contracts, composition of the principal mortality table, outline of insurance history, etc.

Success with the two associate examination papers makes a man eligible for associate membership—which gives the major part of the prestige that connection with the Actuarial Society bestows. An associate is allowed all privileges save the direct participation in presentation of papers and debates, and the right to vote. Any associate who has been such for a certain prescribed time may become a full member by making application to that end and passing the final examinations. These membership examinations are meant to so supplement the associate papers that the society may have a positive guarantee of the actuarial proficiency of the candidate.

The membership syllabus covers the application of the calculus to life contingencies, construction of mortality tables, especially those involving mathematical laws of mortality, laws of the United States and Canada relating to insurance, methods of providing for expenses and contingencies of the business, distribution of surplus, valuation of the liabilities and assets, problems of insuring under averaged lives, constructing the extra premiums for all increased and special hazards, the financing of funds, statistical investigations, vital statistics and kindred topics concerned with the varied questions met by the actuary in daily conduct of company affairs.

For a man to become an actuary he must primarily have a mathematical mind, then properly equip himself with a knowledge of the mathematics to enable him to successfully pursue actuarial studies, and he must further possess the important ability to apply his learning to insurance affairs. This latter accomplishment requires intimate association with insurance. At that, the information a man will gain in practical actuarial employment is fragmentary, and needs to be supplemented with exhausting outside study.

Truly the paths that lead to professional recognition and re-

(*Continued on page* 538.)

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of April, 1905:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$307,241	$698,780	$1,006,021
Connecticut General Life	23,150	7,100	30,250
Connecticut Mutual Life	447,327	34,614	481,941
Equitable Life, New York	1,334,015	165,969	1,499,984
Equitable Life, Des Moines	9,336	2,317	11,653
Germania Life	50,243	27,932	78,175
Home Life	66,157	47,135	113,392
*John Hancock Mutual Life	344,075	9,000	353,075
Manhattan Life	112,113	14,850	126,963
Maryland Life	15,966	3,500	19,466
Massachusetts Mutual Life	166,536	23,254	189,790
*Metropolitan Life	1,314,444	5,000	1,319,444
Michigan Mutual Life	15,641	16,778	32,419
Mutual Benefit Life	577,180	116,012	693,192
Mutual Life, New York	1,742,174	257,674	1,999,848
National Life U. S. A.	27,051	.....	27,051
National Life, Vermont	111,569	47,300	158,869
Nederlands (U. S. Branch)	17,160	.....	17,160
New York Life	1,755,747	278,555	2,034,302
Northwestern Mutual Life	537,182	132,922	670,104
Pacific Mutual Life	.....	.....	.....
Penn Mutual Life	287,798	70,728	358,526
Phœnix Mutual Life	84,032	13,975	98,007
Provident Life and Trust	169,033	178,521	347,554
Provident Savings Life, New York	146,606	.....	146,606
†Prudential	925,431	6,714	932,145
State Mutual Life	65,892	17,800	83,692
Travelers	128,225	31,686	159,911
Union Central Life	142,213	39,186	181,399
Union Mutual Life	57,678	11,340	69,018
United States Life	78,554	11,717	90,271
Washington Life	66,337	35,939	102,276
Totals	$11,126,106	$2,306,298	$13,432,404

*Partially industrial insurance. †Report includes both industrial and ordinary business.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to April 30, 1905, inclusive, by the life insurance companies whose monthly reports are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$63,721,132	$29,928,185	$93,649,317
1865	Connecticut General Life	3,496,903	1,186,985	4,683,888
1846	Connecticut Mutual Life	124,976,161	16,502,780	141,478,941
1867	Equitable Life, Des Moines	1,255,346	291,628	1,546,974
1859	Equitable Life, New York	256,235,071	31,029,954	287,265,025
1860	Germania Life	29,687,830	11,192,139	40,879,969
1860	Home Life	14,729,662	3,743,944	18,473,606
1862	*John Hancock Mutual Life	36,192,187	2,153,079	38,345,266
1850	Manhattan Life	33,632,252	5,737,890	39,370,142
1864	Maryland Life	2,932,391	240,176	3,172,567
1851	Massachusetts Mutual Life	28,065,215	4,603,743	32,668,958
1867	*Metropolitan Life	140,625,129	851,882	141,477,011
1867	Michigan Mutual Life	6,547,951	3,139,408	9,687,359
1845	Mutual Benefit Life	111,129,738	13,009,028	124,138,766
1843	Mutual Life, New York	317,613,074	69,410,340	387,023,414
1868	National Life U. S. A.	7,553,036	351,489	7,904,525
1850	National Life, Vermont	14,392,940	2,457,095	16,850,035
1893	Nederlands Life (U. S. Branch)	1,363,844	1,000	1,364,844
1845	New York Life	223,627,946	50,019,889	273,647,835
1857	Northwestern Mutual Life	80,012,936	20,718,959	101,731,895
1868	Pacific Mutual Life	6,209,232	1,257,000	7,466,232
1847	Penn Mutual Life	39,649,416	7,989,223	47,638,639
1851	Phœnix Mutual Life	25,795,932	4,969,804	30,765,736
1865	Provident Life and Trust	21,154,995	14,329,507	35,484,502
1875	Provident Savings Life, New York	19,687,964	11,955	19,699,919
1876	†Prudential	87,403,862	206,004	87,609,866
1845	State Mutual Life	13,238,478	2,836,677	16,075,155
1866	Travelers	17,806,779	4,063,725	21,870,504
1867	Union Central Life	14,538,780	3,810,185	18,348,965
1849	Union Mutual Life	18,523,683	6,044,904	24,568,587
1850	United States Life	16,914,943	2,406,599	19,321,542
1860	Washington Life	21,157,156	9,088,484	30,245,640
	Totals	$1,800,871,964	$323,583,660	$2,124,455,624

*Partially industrial business. †Report includes both industrial and ordinary business.

Life Insurance Business in the State of New York in 1904.

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Incurred.
Companies of New York.						
Bankers Life	603	$1,467,503	4,184	$7,617,564	$214,518	$94,300
Equitable	23,898	70,706,810	103,864	31,528,224	12,066,149	3,788,809
Germania	536	1,027,093	3,657	8,719,772	325,572	243,970
Home	892	1,910,286	4,462	9,507,828	409,614	174,723
L. Assn. of Amer	361	1,621,984	960	3,770,734	116,053	5,500
Manhattan	552	1,242,697	5,451	11,138,780	414,722	279,614
Metropolitan	38,752	28,009,882	87,211	72,964,359	2,969,760	584,785
Mutual	10,515	28,475,751	77,569	225,411,906	8,852,617	4,728,499
Mutual Reserve	9,287	4,361,374	12,274	17,564,769	692,109	601,804
New York	21,065	38,463,876	136,500	274,659,771	11,922,662	3,245,029
Provident Savings	2,498	1,840,300	5,736	9,809,391	426,690	180,776
Security Mutual	1,923	3,056,385	7,925	13,296,976	428,754	151,046
United States	496	1,241,553	3,866	9,430,747	324,352	237,634
Washington	992	2,253,356	4,374	10,935,032	414,248	206,324
Totals	112,370	$185,678,850	458,033	$989,355,853	39,577,821	14,522,814
Companies of Other States and Countries.						
Ætna	1,737	$3,306,976	14,075	$27,360,157	$1,123,972	$424,848
Berkshire	273	724,800	2,800	8,098,834	228,154	55,258
Colonial	416	326,245	621	526,745	18,703	4,967
Columbian Natl.	496	2,941,100	658	3,569,600	139,756	15,000
Conn. General	942	1,616,687	5,127	6,750,942	221,873	47,141
Conn. Mutual	972	3,014,523	11,653	36,842,892	1,148,887	997,292
Fidelity Mutual	705	1,516,727	3,335	7,373,653	258,689	70,484
John Hancock Mut.	5,924	7,419,292	13,456	20,116,841	719,838	117,351
Mass. Mutual	1,774	3,779,766	12,635	29,878,775	1,082,239	362,862
Michigan Mutual	1,298	975,947	3,479	2,625,160	84,220	16,148
Minnesota Mutual	246	738,451	479	1,371,266	40,112	12,000
Mutual Benefit	1,328	4,177,343	11,552	34,993,633	1,213,027	862,159
National	1,001	2,068,198	6,928	15,594,437	619,976	154,598
New Eng. Mutual	589	1,761,992	2,960	9,168,194	369,394	203,223
Northwest. Mutual	3,611	10,773,813	34,273	101,986,665	3,633,128	1,239,973
Pacific Mutual	262	486,141	734	1,439,815	49,556	1,626
Penn Mutual	2,075	6,640,361	10,667	27,740,192	976,885	183,483
Phœnix Mutual	1,247	2,030,134	7,988	11,964,259	458,246	212,767
Pres. Min. Fund	35	43,000	278	441,750	9,839	3,000
Prov. L. & Trust	619	1,941,514	5,661	15,306,023	668,133	133,216
Prudential	20,868	20,124,883	74,329	81,965,061	2,983,314	765,150
Reliance	60	100,894	67	117,394	6,647	.....
State, Indianapolis	226	1,074,000	287	1,363,000	48,353	10,000
State Mutual	578	1,622,422	4,477	13,562,334	492,852	217,073
Travelers	1,668	3,927,892	9,674	22,618,916	742,433	278,582
Union Central	864	1,907,741	5,087	12,975,409	444,665	104,111
Union Mutual	550	857,836	3,849	5,615,485	174,833	114,969
Totals	50,364	$85,898,679	248,129	$501,367,432	17,958,225	$6,607,281
Grand Totals, 1904	162,734	$271,577,529	706,162	1,490,723,285	57,536,046	21,130,095
" 1903	145,287	262,672,215	637,212	1,393,542,457	52,837,864	21,163,012
" 1902	136,085	242,181,860	571,308	1,282,959,672	48,603,216	17,627,538
" 1901	114,944	224,186,544	501,776	1,172,078,431	44,290,695	*18075932
" 1900	100,540	212,927,064	451,525	1,091,520,872	41,140,708	16,643,686
" 1899	107,176	217,705,024	399,740	996,583,890	37,079,867	14,428,832
" 1898	74,958	157,830,805	336,844	878,385,590	31,093,766	12,636,040
" 1897	71,079	155,403,982	304,130	819,960,441	29,103,827	13,436,856
" 1896	51,638	127,292,490	269,025	759,870,302	26,758,947	12,365,947
" 1895	46,699	115,280,615	248,275	712,871,063	25,016,369	11,926,033

*Losses paid are given from 1895 to 1901.

INDUSTRIAL INSURANCE BUSINESS IN 1904.

Bankers, N. Y.	8,358	$841,950	4,196	$419,760	$21,520	$325
Colonial, N. J.	20,550	2,464,526	16,319	1,922,894	71,292	27,082
Germania N. Y.	5	432	2,048	276,295	10,711	10,080
Metropolitan	306,686	55,333,089	1603820	240,996,431	7,858,494	3,199,526
J'n Hancock, Mass.	138,438	23,172,425	612,298	95,497,094	3,679,733	1,414,318
Prudential, N. J.	347,987	47,720,261	1480600	185,116,243	7,219,165	2,833,895
Totals, 1904	822,024	$129,532,683	3719281	$524,228,717	18,860,914	$7,485,226
" 1903	777,766	121,891,812	3506660	487,349,643	17,583,524	6,354,048
" 1902	810,170	124,432,907	3302940	455,957,665	16,207,411	5,777,569

Life Insurance Business in Montana in 1904.

(Compiled from a Statement by the State Auditor.)

COMPANIES.	Policies Issued. No.	Policies Issued. Amount.	Policies in Force Dec. 31, 1904. No.	Policies in Force Dec. 31, 1904. Amount.	Premiums Received.	Losses Paid.
Ætna	41	$66,314	274	$701,856	$28,791	$2,000
Bankers, Des Moi's	321	642,000	2,279	4,558,000	35,191	26,000
Central, Des Moi's.	.....	.....	.....	.....	.....	.....
Continental	316	1,393,500	316	1,393,500	52,975	.....
Equitable, N. Y.	606	1,280,276	2,902	7,127,143	235,035	39,197
Germania	213	358,700	712	1,750,821	75,357	5,000

Companies.	Policies Issued.		Policies in Force Dec. 31, 1904.		Premiums Received.	Losses Paid.
	No.	Amount.	No.	Amount.		
Home	3	$5,400	26	$47,900	$2,665	.....
Mutual Life, N. Y.	500	1,656,960	2,511	7,993,462	310,092	$76,806
Metropolitan (Or.).	595	363,247	782	566,465	62,831	2,702
Metropolitan (In.).	3,653	689,530	6,514	1,254,675	.....	8,509
Mutual Benefit	253	432,288	332	639,468	20,927	5,000
Minnesota Mutual.	17	17,813	130	352,721	9,672	2,000
National, Vt.	444	863,595	565	1,217,676	44,153	2,500
National U. S. A.	148	302,055	267	487,111	18,355	5,036
New York Life	856	1,807,951	3,887	10,173,756	380,782	71,657
Northwestern Mut.	225	610,500	1,699	4,980,284	180,034	10,897
Pacific Mutual	8	17,920	97	110,109	5,390	178
Penn. Mutual	71	137,067	158	357,197	9,580	.....
Prudential	93	123,660	153	241,660	15,927	109
Provident Savings.	60	292,100	144	673,354	20,731	.....
State Life, Ind'p's.	59	92,599	207	761,099	22,966	5,000
Travelers	5	8,500	16	50,500	312	.....
United States	71	125,000	206	354,500	10,934	3,000
Union Central	24	57,000	321	702,300	19,325	2,000
Washington	248	408,465	475	804,053	38,156	3,369
Totals, 1904	8,830	$11,752,440	24,973	$47,299,610	$1,600,178	$270,960
" 1903	.....	8,312,023	21,139	40,539,055	1,334,810	316,764

Fire Insurance Business in Montana in 1904.

(From a Statement by the State Auditor.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$1,096,615	$24,945	$4,387
Agricultural, Watertown	229,464	7,578	4,795
American, Newark	466,555	10,538	3,763
American Central, St. Louis	602,627	15,212	6,977
American Fire, Philadelphia	533,745	14,058	7,520
American, Boston	244,793	6,144	1,921
Citizens, St. Louis	421,871	11,229	3,757
Connecticut Fire, Hartford	1,002,565	24,487	11,739
Continental Fire, New York	619,798	14,485	7,472
Colonial Fire, Montana	276,825	7,518	.....
Delaware, Philadelphia	222,411	5,219	1,535
Dutchess, Poughkeepsie	122,356	3,173	.....
Fireman's Fund, San Francisco	3,058,521	60,605	31,180
Fire Association, Philadelphia	880,957	23,356	14,103
Franklin Fire, Philadelphia	519,405	12,086	7,203
German American, New York	949,592	22,618	22,506
German Alliance, New York	204,997	4,646	5,084
German, Freeport	668,200	13,494	5,825
Glens Falls, Glens Falls	555,295	9,592	1,917
Girard Fire and Marine, Philadelphia.	191,390	5,126	1,272
Germania Fire, New York	442,255	11,551	4,465
Hanover Fire, New York	323,573	7,823	3,980
Hartford Fire, Hartford	1,332,984	31,932	7,876
Home, New York	2,094,673	40,467	32,378
Home F. and M., San Francisco	497,360	11,701	8,787
Indemnity Fire, New York	50,050	1,121	118
Indianapolis Fire, Indianapolis	306,562	7,258	4,673
Ins. Co. of N. America, Philadelphia.	958,138	23,262	18,037
Liv. and Lon. and Globe, New York.	98,740	1,888	423
Mercantile Fire and Marine, Boston.	281,452	6,354	2,923
Michigan Fire and Marine, Detroit.	427,354	10,042	7,657
Milwaukee Mechanics, Milwaukee	363,052	8,878	4,228
National Fire, Hartford	1,113,033	27,375	12,756
National Union, Pittsburgh	143,100	37,067	300
New Hampshire Fire, Manchester	241,885	5,464	697
Niagara Fire, New York	454,699	11,202	7,985
North German Fire, Hamburg	325,999	8,253	1,873
New York Underwriters	643,700	11,859	7,801
Orient, Hartford	272,159	6,365	865
Pacific Underwriters	535,723	7,459	.....
Pennsylvania Fire, Philadelphia	821,750	18,875	10,180
Phenix, Brooklyn	1,725,838	37,527	19,666
Phœnix, Hartford	650,172	15,263	5,008
Providence Washington, Providence.	482,543	9,715	4,805
Queen, New York	670,432	16,087	9,434
Rochester German, Rochester	143,350	2,358	340
Springfield F. and M., Springfield	738,336	17,762	8,808
St. Paul Fire and Marine, St. Paul.	579,718	13,613	7,070
Teutonia, New Orleans	235,475	4,741	99
Traders, Chicago	322,700	8,826	3,519
Westchester Fire, New York	556,920	13,724	3,429
Williamsburgh City Fire, New York.	465,719	8,786	3,290
Totals, 1904	$31,167,426	$740,708	$346,457
Foreign Companies.			
Aachen and Munich, Aix-la-Chapelle.	$471,922	$11,230	$7,146
Alliance, London	539,896	12,257	15,464
Atlas, London	750,659	15,100	909
British America, Toronto	384,516	8,345	520
Caledonian, Edinburgh	443,359	6,846	2,706
Cologne Reinsurance, Cologne	146,963	3,197	1,926
Commercial Union, London	8,321,600	20,825	4,191
Hamburg-Bremen, Hamburg	864,925	22,201	7,016
Liv. and Lon. and Globe, Liverpool	1,841,707	39,738	14,303
Law Union and Crown, London	358,124	8,391	2,454
London Assurance Corporation	$508,185	$12,652	$1,845
London and Lancashire, Liverpool	655,993	15,111	8,121
Moscow Fire, Moscow	229,797	4,696	177
Manchester, Manchester	204,521	4,847	1,094
New Zealand F. and M., Auckland	411,262	9,710	3,107
Northern, London	794,502	18,707	19,870
N. British and Mercantile, London	901,493	20,122	7,753
Norwich Union, Norwich	469,683	12,227	8,108
Netherlands, The Hague	.....	.....	.....
Palatine, London	464,635	10,565	3,364
Phœnix, London	826,550	17,401	20,124
Prussian National, Stettin	474,200	9,170	4,968
Royal, Liverpool	1,656,116	37,873	24,787
Royal Exchange, London	1,631,022	23,385	9,828
Salamandra, St. Petersburg	462,515	10,331	6,403
Scottish Union and N., Edinburgh	463,046	10,579	4,340
Skandia, Stockholm	181,396	3,835	4,312
State Fire, Liverpool	251,587	5,855	5,321
Sun, London	1,484,721	33,862	12,313
Svea, Gothenburg	786,096	31,605	9,225
Transatlantic, Hamburg	797,755	19,375	6,516
Thuringia, Erfurt	181,305	5,387	7,831
Union, London	650,643	14,923	6,972
Western, Toronto	369,537	8,948	11,518
Totals	$28,980,231	$489,296	$244,530
Grand Totals, 1904	$60,174,657	$1,230,004	$590,987
Comparison With Business of Previous Years.			
1903	$48,824,376	$1,120,394	$469,428
1902	48,110,663	1,091,349	432,669
1901	49,040,600	1,056,630	457,748
1900	44,212,574	897,791	495,215
1899	38,117,290	783,349	199,898
1898	36,914,697	736,286	249,310
1897	29,489,684	641,603	233,361
1896	31,642,530	669,140	227,895
1895	29,309,382	623,912	200,284
1894	26,852,407	626,905	228,544
1893	25,430,071	589,802	182,268
1892	30,179,385	708,225	254,635
1891	27,516,805	638,882	142,463
1880 to 1890	123,472,758	2,915,012	1,188,492

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 38.8. The percentage in 1904 was 48.0.

Fire Insurance Business in Massachusetts in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle.	$3,356,952	$43,594	$24,022
Ætna, Hartford	38,851,987	365,406	170,264
Agricultural, Watertown	10,221,200	93,280	47,933
Albany, Albany	3,404,972	33,774	15,774
American, Boston	5,964,799	55,772	19,638
American, Newark	4,704,787	53,168	25,255
American Central, St. Louis	11,296,815	127,411	68,555
American Fire, Philadelphia	7,009,114	71,710	19,198
American Lloyds, New York	2,197,600	13,186	1,989
Assurance Company, New York	2,750,078	23,453	16,049
Atlas, London	5,342,164	62,613	32,583
Boston, Boston	14,572,366	166,857	75,671
British America, Toronto	3,520,367	43,366	17,274
British American, New York	1,354,923	17,437	12,466
Buffalo Commercial, Buffalo	1,250,310	10,763	6,193
Buffalo German, Buffalo	3,310,495	23,039	14,172
Caledonian, Edinburgh	8,070,770	96,086	58,990
Caledonian American, New York	829,867	10,615	5,737
Camden Fire, Camden	3,723,765	43,901	21,155
Capital Fire, Concord	3,058,723	31,156	16,959
Citizens, St. Louis	4,595,725	62,344	36,807
Cologne Reinsurance, Cologne	4,887,462	47,954	30,477
Colonial, New York	2,643,036	30,897	13,014
Colonial, Washington	2,456,853	31,400	11,399
Commerce, Albany	1,512,115	13,172	5,952
Commercial Union, London	14,922,898	152,453	82,309
Commercial Union, New York	2,296,963	22,846	8,565
Commonwealth, New York	4,869,245	34,419	12,818
Concordia, Milwaukee	3,250,680	41,301	16,308
Connecticut Fire, Hartford	13,326,500	143,927	81,503
Continental, New York	13,932,254	204,211	128,349
Delavan, Philadelphia	4,782,055	55,009	28,504
Detroit Fire and Marine, Detroit	1,176,512	10,244	5,903
Dutchess, Poughkeepsie	3,498,929	47,370	32,702
Equitable F. and M., Providence	5,976,054	59,619	25,066
Farmers Fire, York	3,425,066	47,094	33,761
Federal, Jersey City	2,323,430	17,011	4,237
Fire Association of Philadelphia	17,071,447	185,956	97,377
Fire Ins. Co. of Co. of Phila	933,560	8,124	4,602
Fireman's Fund, San Francisco	11,501,979	120,192	65,662
Firemen's, Newark	6,770,139	62,512	29,241
Franklin Fire, Philadelphia	3,244,451	33,655	10,554
German Alliance, New York	2,688,262	26,510	16,484

Companies.	Risks Written.	Premiums Received.	Losses Paid.
German American, New York	$23,571,674	$227,914	$111,793
German Fire, Pittsburgh	4,830,740	52,293	27,896
German American, Baltimore	339,900	3,774	1,012
German, Freeport	7,817,307	77,366	37,861
German, Peoria	689,471	7,649	3,647
Germania Fire, New York	9,480,297	94,923	22,877
Girard F. and M., Philadelphia	3,052,157	22,525	14,423
Glens Falls, Glens Falls	5,313,969	39,464	15,644
Granite State, Portsmouth	7,009,904	64,771	35,357
Hamburg Bremen, Hamburg	6,152,197	68,442	30,718
Hanover Fire, New York	8,808,112	94,352	33,382
Hartford Fire, Hartford	27,130,103	287,397	97,918
Home, New York	54,476,730	441,188	410,473
Home F. and M., San Francisco	5,032,795	50,804	20,095
Indemnity Fire, New York	767,386	8,882	7,243
India Mutual, Boston	2,175,452	24,555	18,819
Indianapolis Fire, Indianapolis	293,959	3,609	1,066
Ins. Co. of N. America, Philadelphia	27,693,336	285,248	163,204
Ins. Co. State of Pennsylvania	1,038,261	12,443	12,315
Law Union and Crown, London	2,611,055	15,850	7,591
Liver. and London and Globe, Liv	30,920,981	348,245	191,991
London and Lancashire, Liverpool	13,277,700	90,933	41,206
London Assurance Corporation	7,584,820	82,052	43,921
Lumber, New York	12,800	1,491	.....
Mechanics, Philadelphia	1,113,448	11,307	7,528
Mechanics and Traders, New Orleans	2,767,109	24,544	12,384
Mercantile Fire and Marine, Boston	5,474,020	59,708	32,214
Milwaukee Mechanics, Milwaukee	2,238,436	25,955	14,963
Milwaukee Fire, Milwaukee	360,431	3,531	1,701
Moscow, Moscow	4,390,780	35,654	10,760
Nassau Fire, Brooklyn	2,806,223	25,254	6,354
National, Dublin	3,581,311	51,929	48,429
National Fire, Hartford	20,650,886	176,772	91,014
National Union, Philadelphia	4,949,003	51,538	15,772
Newark Fire, Newark	514,570	4,962	4,472
New Brunswick Fire, N. Brunswick	87,650	951	790
New Hampshire Fire, Manchester	15,798,736	145,836	85,784
New York Fire, New York	2,323,577	15,284	6,232
Niagara Fire, New York	20,138,286	235,803	118,456
North German Fire, New York	639,567	5,756	7,169
North British and Mercantile, London	20,156,278	185,822	73,485
North British and Mercantile, N. Y	3,024,145	20,728	6,835
Northern, New York	2,575,071	21,858	5,979
Northern, London	15,017,294	99,751	48,653
North River, New York	4,941,094	59,303	12,131
Northwestern National, Milwaukee	3,226,443	26,757	8,569
Norwich Union, Norwich	11,107,577	115,067	64,380
Orient, Hartford	6,250,548	45,061	22,942
Palatine, London	12,010,153	132,226	79,383
Pelican, New York	1,219,433	11,350	7,275
Pennsylvania Fire, Philadelphia	11,526,000	137,078	51,110
Phenix, Brooklyn	18,476,018	215,717	84,324
Phœnix, Hartford	21,712,203	195,054	104,274
Phœnix, London	8,138,954	111,778	74,066
Providence Washington, Providence	12,614,240	129,011	65,023
Prussia National, Stettin	5,377,086	38,874	14,142
Queen, New York	14,065,632	135,506	53,516
Reliance, Philadelphia	3,992,504	37,870	13,917
Rochester German, Rochester	5,373,429	66,511	31,861
Royal, Liverpool	41,921,236	365,097	190,669
Royal Exchange, London	12,789,344	124,011	75,691
St. Paul Fire and Marine, St. Paul	6,434,881	58,399	36,994
Salamandra, St. Petersburg	5,218,263	52,733	36,370
Scottish Union and Nat., Edinburgh	9,122,882	93,645	51,435
Security, New Haven	7,891,277	75,166	35,098
Skandia, Stockholm	7,500,013	54,303	30,699
Springfield F. and M., Springfield	20,233,813	201,160	90,601
Spring Garden, Philadelphia	6,061,771	68,867	33,940
State, Liverpool	1,380,995	7,872	5,608
Sun, London	12,570,520	158,315	86,276
Svea, Gothenburg	2,167,608	24,678	8,970
Teutonic, New Orleans	3,737,389	40,487	25,254
Toledo Fire and Marine, Toledo, O	69,780	1,078	.....
Traders, Chicago	6,466,464	79,482	48,142
Union, Philadelphia	3,783,151	36,811	20,184
Union, London	9,031,574	52,334	21,118
United Firemen's, Philadelphia	3,773,830	43,039	16,124
United States Fire, New York	5,144,437	50,592	32,984
Victoria Fire, New York	965,538	6,206	1,703
Westchester Fire, New York	7,315,725	83,692	51,067
Western, Toronto	6,753,192	82,588	71,214
Western, Philadelphia	1,951,205	18,495	16,615
Williamsburgh City Fire, New York	3,508,718	53,440	22,768
Totals, 1904	$971,390,516	$9,743,573	$5,097,234
Comparison with Business of Previous Years.			
1903	$968,436,536	$9,871,191	$4,542,818
1902	926,223,145	9,614,555	3,811,668
1901	928,781,483	8,690,871	4,215,040
1900	939,856,497	8,752,971	4,153,074
1899	912,670,635	8,554,180	4,649,222
1898	867,151,860	3,325,922	5,019,059
1897	874,571,204	8,826,281	3,000,861
1896	690,349,201	8,241,721	3,669,663
1895	747,464,702	7,981,114	3,342,328
1894	687,413,281	7,648,298	4,645,784
1893	734,321,894	7,713,797	6,943,023
1892	720,240,195	7,340,152	3,779,004
1891	648,573,843	6,375,850	3,774,535
1880 to 1890	6,188,639,710	62,006,185	39,496,941

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 57.3. The percentage in 1904 was 52.3.

(*Continued from page* 535.)

munerative service in actuarial work are not of the rosy kind—and mathematicians who are tempted by the hope of large salaries in actuarial service will do well to debate two difficulties: first, that of attaining proficiency in the science, and second, that of marketing their knowledge. Beyond the limited number of companies there is but small field in advisory work and State department service.

The Changeling.

(From a Disgusted Agent's Point of View.)

The Prospect is a cautious bird. Of him you've doubtless often heard.
He lives beyond the Pale.
The Agent stalks him day and night, by sun and moon and candle light
To put salt on his tail.

And when a Prospect's up a tree he's just as blind as he can be.
He can't see a good thing.
He has no hands to sign an "app."; his mulish ears do overlap;
He's deaf to arguing.

'Tis then the Agent's only course to bring him down by threat or force
Into the company's net.
But when he's once within the fold a transformation strange behold
And mighty quick you bet!

A P. H.* straightway he becomes with eagle eyes and many thumbs
To stick into the pie.
His maw gapes wide for dividends; the Co. must run to suit his ends
Or he will know the why.

He views with lust the surplus large. 'Tis not the sacred steadfast charge
It seemed before he joined.
"Come, cut the melon up," says he. "The stockholders may damned be!
"We'll spend what they have coined."

"What if the Co. does make a kick! We have a big and heavy stick.
"We'll go and legislate.
"Or call upon the courts of law to find a consequential flaw.
"In the directorate."

Ye men whose labors built the Co., you've done your work, now out you go!
The cry is "Mutualize!"
The chilly camel's selfish bent has nosed you wholly from the tent.
Go 'way and Oslerize!

W. W. M.

* P. H. = policyholder.

Isn't It a Waste of Time?

(*Insurance.*)

It is not in human nature to favor changes which would put one out of office or reduce either one's emoluments or one's importance. Yet whether insurance is or is not interstate commerce, or whether the Supreme Court could now be persuaded to reverse its unanimous decision of many years ago, is an academic question and aliunde; we see nothing practical in it. A court decision that it is not unconstitutional to feed horses on sawdust would not have any practical value until the horses decide that

it is not unconstitutional for them to eat sawdust. We all agree—even State supervisors do not deny—that existing supervision is unsatisfactory, and that it is a burden from whose grievousness insurance needs to be relieved. Therefore many well meaning persons, including some life insurance officers for whom *Insurance* has the highest respect, desire that the Federal Government shall take hold of supervision. But unless and until the States let go there would be duplication and addition instead of substitution and relief. The States cannot be made to let go, by any form of legal compulsion or moral persuasion of which we can conceive. There are several reasons why they will hang: the unexpressed feeling of State sovereignty and importance, the indisposition of legislatures to give up even a single subject with which they can meddle, the obstinate unwillingness to have the party slate reduced by one single office, and (most important of all, perhaps) the unwillingness to abandon a single subject of taxation. By just as much as the taxes are heavy upon insurance and constitute a grievance now, by just so much the cause of grievance will stick. Not to enlarge upon this, look back to the recent session at Albany—its long drawn fooling in the attempt to find some indirect source from which revenue could be drawn without anybody's knowledge, one tax bill being signed in desperation only a few hours after the Governor said he had no idea what he would do, and another passed which was so crude that he dared not touch it, and had it nominally withdrawn in order to gain time on it, and then a substitute was sent him after all. Can anybody suppose that while the chief State potters with the subject of taxation thus a proposition to abandon so handy and easy a resource as insurance has been would receive serious consideration? The reason and equity in the case are of less practical consequence than the practical view. When somebody explains—what everybody has thus far avoided—how the State shall be induced to let go, it will be time to consider the constitutional question. State supervision is the cat whose teeth and claws are to be cut. Until that job is done, getting another animal with claws upon insurance will be aggravation, not remedy.

(*Insurance Register.*)

We do not believe that national supervision of insurance is at all imminent, both for the reason that we think the Federal power to control insurance more than doubtful, and if such power existed we think there would be such strong opposition from the State governments and people as would long delay its coming to pass. But if national supervision were to come at once we should by no means regard it as an evil to be dreaded. On the other hand, it might prove a relief to be hailed. If we were counseling underwriters we should advise them to attend to business, do their duty as they see it, and not grow skittish at the shadow of the overhanging cloud of national supervision.

Saved by the Scissors.

GILT EDGE SECURITIES.

One of the greatest of men said, near the close of his life, "I have fought a good fight." A good fighter has always been in demand, in the affairs of this world. The insurance agent is open to numerous and varied opportunities along this line. If he does not fight he will not win. If he does not win he will sit on the tail board instead of the front seat, reins and whip in hand. How to hold the reins and crack the whip is the genius and art of the thing, which makes success possible in the now worldwide business of the producer. It would seem to the writer that pluck enough to seize the reins and hold them as if not afraid of the horses is the primer of the whole thing in life's book lore. The people along the boulevard, and the horses as well, must know that they have met a man who is not afraid. Antagonist number one therefore is fear. The Napoleonic exhortation, "Courage, mes enfants," seems always to be in evidence, through all the centuries. Boldness combined with refinement, a certain amount of holy cheek, nerve that is not too nervy, the altogether not afraid air of the real gentleman who is never in a hurry and never afraid are the qualities necessary to a fighter. All of this is born of confidence in oneself. If you do not feel within yourself that you are master of the situation, you will get whipped. In approaching man or woman, you must make them feel, if you can, that you are the superior of the two.

Self confidence for the insurance agent is built upon two things. First—The knowledge of the fact that you are trying to do good. The callings all are more or less selfish, but the producer is less selfish than the average business man. He is called to a Christian calling. Let him "walk worthy of the vocation to which he is called." Only this week the editor spoke to a lady in deep black, a poor woman who had just buried her husband. She had $2,000 in life insurance. Who shall say that the agent who wrote that man was not an angel of mercy? He certainly was. He probably had to work his way to success with that man against many obstacles. The result paid for the effort. "He fought a good fight." Second—Self confidence is built upon the character of the company. The agents of the Security Mutual Life insurance company are not persuading people to invest in shavings and straw. They are not promoting a job. Dollar for dollar, and more, too, is what Security promises and pays. It is a great mistake for any man to suppose that he can for any length of time pick up the apples some other fellow has shaken down. You will have to do your own shaking and picking. It is equally a fallacy to suppose that results are easily reached. There is no easy way over the mountain. All roads come to the mountain. All months have stormy days. All callings have their difficulties. There are no easy jobs, consequently the necessity for fighters. Life is a battle. In a sense, work is our enemy.

"The brave man is not he who has no fear,
That were stupid and irrational,
But he whose noble soul his fears subdues,
And bravely overcomes the danger nature shrinks from."

The insurance agent, especially the new beginner, looks out into chaos. He does not know of a single man to whom he can hitch. But he must not anchor. He must have fight enough to go out and speak to somebody. Encouragements come to the go aheads. The stay at homes only wear out chairs. It is better to wear out boots than sofas. Therefore it is necessary that you should have fight enough in you to begin the battle. But do not butt your head against a stone wall. Find something softer. That is to say, as you doubtless know, mix up a little common sense with your fighting. Common sense is uncommon; that is, with some men. Do not weary even the most affable of your patrons with too long a story. You ought to have that intuition which will teach you whether it is best to try again. If it is not do not keep on hammering on that one nail, try another. Do not appear to be a fighter. "In vain is the snare set in sight of any bird." Dream, plan, fight on. Nil desperandum. The darkest hour is just before day. With the consciousness of a good cause and a good company, do thou fight on until something gives way. It is the last straw that breaks the camel's back.—*The Security Agent.*

WASTE.

Physicists tell us that nature suffers no waste; that nothing is lost or destroyed; that form changes, but in their essence matter and energy are never spent for naught. What a contrast between the wise economy thus displayed in nature and the foolish wastefulness of which men are constantly the cause and the victims. It is in all likelihood a safe assertion that in almost every instance the causes of the success of some and the failure of others in any line of business may be traced to the difference between utilization and waste. Mistaken judgment will often cause loss, but even so, there is a compensation in the maturing and correcting of one's methods of thought and standards of judgment, so that such loss often results eventually in gain through the better judgment thus developed. There is no such compensation for loss caused by waste. Such loss is dead loss, net loss, loss without recovery. As in nature's processes the apparent destruction of a solid or a liquid is really its transmutal into a gas with larger potentiality than in its prior form, so a loss caused by mistaken judgment is often merely a change of a material asset into the more valuable though intangible equipment of surer discernment and sounder discretion. But loss resulting from waste is not a change of form, but an actual extinction of value. What an appalling mass is the daily waste of which humanity is guilty! Time idled away, money squandered, strength—physical or mental—atrophied by laziness, intellect frittered on trifles, opportunity unavailed of! Not the wicked use of these things—there is a hideous mass of that, as we all know, but just the silly, careless unuse or waste of them.

In the business of insurance there is one item of waste which undoubtedly aggregates many thousands of dollars annually. It is the item of cancellations of policies not taken. The most cursory glance over the records of the companies cannot fail to impress one with this fact. It would be difficult to calculate all of this waste in dollars. The time spent in the preparation of applications and policies, in the entry of the same on agents' books and home office books, in the cross entry of the cancellations through those

books, in the correspondence incident to putting this so called business in and then taking it out, in the visits made to the pseudo policyholders, can never be exactly figured, but it can hardly be exaggerated. The cost of the books and supplies thus wasted is a large sum. And it is all waste. The time thus spent is gone beyond recovery. The money is wiped out, not invested; for no increment can ever come from it.

There is a remedy, and it should be applied by the agents, for they alone can. It consists simply in the exercise of care in the issuance of policies. For the waste is caused by lack of care on the part of the agent. It is, of course, wise or expedient occasionally to issue a policy without a positive order for it, because there is a strong probability that the prospective assured will accept and pay for it. But there are a great number of policies issued by agents of all companies on the mere hope that they may stick, with no actual ground for that hope except the desire of the solicitor or agent. Such a way of doing business breeds a contempt in the minds of thoughtful men for the business and its representatives. An insurance policy is a contract involving serious obligations, and should be handled so as to impress that fact; but the indiscriminate issuance of such documents "on approval" makes them cheap in the worse sense of that word. Life insurance policies are not so handled; fire insurance policies are not to any considerable extent; but in some of the casualty lines it is a crying evil. We appeal to our agents to assist us in establishing the reform which is so much needed at this point. No policy should be issued unless there is a bona fide application for it or, at least, a strong probability, based upon evident interest on the part of the prospect, that it will be kept and paid for.

Let us stop this waste and use the time and money to some purpose.—*Budget of the Maryland Casualty Company.*

C. H. Buuker, President. Franklin H. Head, Vice-President.
A. A. Smith, Secretary, H. G. B. Alexander, 2d Vice-Pres. and Gen. Mgr.

Continental Casualty Company

POLICIES ARE PROTECTED by more than ONE MILLION DOLLARS ASSETS.

Capital Stock, $300,000.00
Accident and Health Insurance
General Offices, Chicago.

OVER FIVE MILLION DOLLARS paid in claims to 175,000 of our POLICYHOLDERS.

GOOD CONTRACTS IN GOOD TERRITORY TO GOOD MEN
Producers, address H. G. B. Alexander, 2d Vice-Pres. and Gen. Mgr.
134 Monroe Street, Chicago.

BRITISH AMERICA ASSURANCE CO., INCORPORATED 1833.
FIRE AND MARINE. Head Office: TORONTO, CANADA.
UNITED STATES BRANCH.
JANUARY 1, 1905.

Assets	$1,428,610.75
Liabilities	1,030,923.14
Net Surplus	$397,687.61

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.

"SAFE AS A NATIONAL BANK NOTE."
The Inter-State Life
ASSURANCE COMPANY,
INDIANAPOLIS, IND.
CHARLES A. SUDLOW, President. F. P. DAVENPORT, Secretary.
EASTERN DEPARTMENT: 621 Walnut Street, PHILADELPHIA.
H. E. ROBERTS, Second Vice-President.

Western Assurance Company
HEAD OFFICE: TORONTO, CANADA.
INCORPORATED 1851.
Hon. GEO. A. COX, President.
J. J. KENNY, V. P. and Managing Director.
UNITED STATES STATEMENT, JANUARY, 1905.

Assets	$2,360,496.46
Surplus in United States	731,149.48

Scottish Union & National Ins. Co.
ESTABLISHED 1824.
No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.
United States Branch: Hartford, Conn.

HANOVER
Agencies in all the Principal Places in the United States.
Fire Insurance Company OF NEW YORK.

Caledonian Ins. Co.,
FOUNDED 1805. *of Scotland.*
"The Oldest Scottish Insurance Office."
United States Head Office, 50 and 52 Pine Street,
NEW YORK CITY.
STATEMENT JANUARY 1, 1904.

Assets	$1,734,353.51
Liabilities	992,722.08
Net Surplus in the United States	$741,631.43

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

The Massachusetts Mutual
LIFE INSURANCE COMPANY.
INCORPORATED 1851
SPRINGFIELD, MASS.

ASSETS January 1, 1905,	$37,071,297.57
LIABILITIES,	33,770,674.54
SURPLUS,	3,300,623.03

Definite Paid-up and Cash Surrender Values written in every Policy.
JOHN A. HALL, Pres. HENRY M. PHILLIPS, Vice-Pres.
W. W. MCCLENCH, Sec'd Vice-Pres. W. H. SARGEANT, Sec.
New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager of Agents for Southern New York.

Fire Association of Philadelphia.
INSURANCE FROM LOSS BY FIRE.
Organized Sept. 1, 1817. Incorporated March 27, 1820.
Charter Perpetual.
Capital, $500,000.00. Assets, $6,164,163.39.

OFFICERS:
E. C. IRVIN, President.
T. H. CONDERMAN, Vice-President.
WILLIAM MUIR, 2d Vice President.
M. G. GARRIGUES, Secy. and Treas.
R. N. KELLY, Jr., Ass't Sec'y.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905.

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353,488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**
DANIEL H. WELLS, Actuary.

1825. THE 1905.
Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

COMMERCIAL UNION ASSURANCE CO.
LIMITED,
OF LONDON.
OFFICE:
Cor. Pine & William Sts., New York

Insurance Co. of North America,
232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.
Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

How's Your Backbone? Can You Stand Alone?

Agents who can answer "strong" and "yes" to the above questions, and who want to be advanced more than they want advances, can secure splendid contracts with liberal renewal commission guarantees from the

Security Trust and Life Insurance Co.
BROADWAY and 26th STREET, NEW YORK.

Hon. R. E. PATTISON, President.
Hon. GEO. B. LUPER, 2d Vice-President and General Manager.

ADDRESS FOR TERMS
Moore Sanborn, 4th Vice-President and Manager of Agencies.

WHAT is the use of saying
"The best company,"
or "The strongest company,"
or "The largest company"?
They all say these things.

WE SIMPLY SAY . . .

THE PENN MUTUAL LIFE Insurance Company
OF PHILADELPHIA.
Organized 1847.

THAT TELLS THE WHOLE STORY.

One Million Dollars Surplus to Policyholders

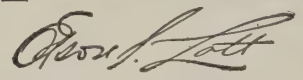
UNITED STATES CASUALTY COMPANY

141 Broadway, New York

WANTS AGENTS IN SMALL TOWNS

as well as in large ones

BEST ACCIDENT and HEALTH **INSURANCE** IN THE WORLD



Secretary & General Manager

THE Fidelity and

Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $6,791,185.19. Net Surplus, $1,686,230.47.
Losses Paid to December 31, 1904, $19,655,793.02.

Fidelity Bonds, Employers' Liability, Personal, Accident, Health, Steam Boiler, Plate Glass, Burglary, Fly-wheel and Bonded List.

OFFICERS:

GEORGE F. SEWARD, President,
ROBERT J. HILLAS, Vice-President-Secretary.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.
GEORGE W. ALLEN, Third Assistant Secretary.

SUCCESSFUL LIFE INSURANCE MEN

wishing to secure a first-class contract with a continuous renewal interest should communicate with

Security Mutual Life Insurance Co.

BINGHAMTON, N. Y.

CHAS. M. TURNER, President.

New policy forms with special features very attractive to prospective insurers.

FOR FULL PARTICULARS ADDRESS

A. B. HOWE, Assistant General Manager.

1851 Phoenix Mutual Life Insurance Company 1904

OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance. The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.

JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

THE AMERICAN FIRE INSURANCE COMPANY,

OFFICE COMPANY'S BUILDING. 308 and 310 Walnut St., Philadelphia.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance and all other claims	2,116,118.40
Surplus over all Liabilities	222,677.40

TOTAL ASSETS, JANUARY 1, 1905, $2,838,795.80.

JOHN H. PACKARD, JR., President.
WAITE BLIVEN, Secretary.
WM. F. WILLIAMS, Treas. and Asst. Sec'y.
EDWARD MANEUVRE, Asst. Sec'y.
LOUIS S. AMONSON, Secretary of the Agency Department.

DIRECTORS:

John H. Packard, Jr. — John S. Gerhard.
Joseph E. Gillingham. — Edward Lowber Welsh.
Charles S. Whelen. — Archibald R. Montgomery.
Edward F. Beale. — Thomas K. Ober, Jr.
Francis E. Bond.

INCORPORATED 1851.

The Berkshire Life Insurance Company,

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Secy.

Agencies in all the principal cities of the United States.

THE COLUMBIAN NATIONAL LIFE INSURANCE CO.,

BOSTON, MASS.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. Capital, $100,000.

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y.

Telephone: 3894 John.

FORTY-FOURTH YEAR.

Established 1782.

Phoenix Assurance Company, Ltd.,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.
Head Office for the United States, 47 Cedar St., N. Y.
A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, JR., Sec.

Liverpool & London & Globe Ins. Co.,

ESTABLISHED, 1836. ENTERED THE UNITED STATES, 1848.

NEW YORK OFFICE:
WILLIAM & PINE STREETS.

NEW ENGLAND, NEW YORK, PENNSYLVANIA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH AND SOUTH CAROLINA.

H. W. EATON, Resident Manager.
GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Superintendent.

CHICAGO OFFICE:
203—205 LA SALLE STREET

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, COLORADO, DAKOTA, KANSAS, NEBRASKA, MONTANA, UTAH, WYOMING AND NEW MEXICO, INDIAN AND OKLAHOMA TERRITORIES.

W. S. WARREN, Resident Secretary.
GEO. H. MOORE, J. V. THOMAS, } Assistant Secretaries.

NEW ORLEANS OFFICE:
Corner CARONDELET AND GRAVIER STREETS.

LOUISIANA, MISSISSIPPI, ALABAMA, GEORGIA, FLORIDA, TEXAS.

CLARENCE F. LOW, Resident Secretary.
J. G. PEPPER, Assistant Secretary.

SAN FRANCISCO OFFICE:
422 CALIFORNIA STREET.

CALIFORNIA, NEVADA, OREGON, WASHINGTON, IDAHO, ARIZONA

CHARLES D. HAVEN, Resident Manager.
C. MASON KINNE, Assistant Secretary.

"The Leading Fire Insurance Company of America."

Incorporated 1819. Charter Perpetual.

Cash Capital,	$4,000,000.00
Cash Assets,	15,814,054.98
Total Liabilities,	5,367,203.89
Net Surplus,	6,446,851.09
Surplus as to Policyholders,	10,446,851.09
Losses Paid in 86 Years,	99,899,109.49

WM. B. CLARK, President.
W. H. KING, Secretary.
A. C. ADAMS, HENRY E. REES, C. J. IRVIN, A. N. WILLIAMS, } Assistant Secretaries.

WESTERN BRANCH, Traction Building, Cincinnati, Ohio.
KEELER & GALLAGHER, General Agents.

NORTHWESTERN BRANCH, Omaha, Neb.
WM. H. WYMAN, Gen. Agent. W. P. HARFORD, Ass't Gen. Agent.

PACIFIC BRANCH, San Francisco, Cal.
BOARDMAN & SPENCER, General Agents.

INLAND MARINE DEPARTMENT,
CHICAGO, 145 La Salle St. NEW YORK, 50 and 52 Pine St.
BOSTON, 137 Milk St. PHILADELPHIA, 226 Walnut St.

THE
United States Fidelity and Guaranty Company,
BALTIMORE, MD.,
16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock Paid in Cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

Forty-fifth Year

HOME LIFE
INSURANCE COMPANY OF NEW YORK,

GEORGE E. IDE, President.

Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus,	1,134,104.25	1,362,315.56
Insurance in Force,		74,892,289.00

The 1905 Volume of the

RECORD OF

Fire Insurance by States

IS NOW READY FOR DELIVERY

A record of the business done by each Fire Insurance Company in each State and Territory for 24 years and for 1904—25 years in all.

WHAT SUBSCRIBERS SAY:

"We long ago realized the good of these classified records, but have never purchased same on account of the expense. However, we do believe it will be a good idea for us to have the book on hand, so have concluded to have you forward us a copy, realizing as we do that there is a wonderful amount of information contained therein, and that we will undoubtedly get the benefit of our money before the year draws to a close."—*McNear & Wayman, General Agents, San Francisco, Cal., March 23, 1905.*

"It is needless to say that we find the publication useful."—*Herbert Folger, General Agent, San Francisco, Cal., May 10, 1904.*

"We consider this book one of the most valuable, if not the most valuable reference rate book that comes to this office."—*Bernard Faymonville, Vice President Fireman's Fund Insurance Company, San Francisco, Cal., March 30, 1903.*

"Yours is the only real correct record of the kind I have seen."—*H. F. Cornell, General Agent, Detroit, Mich., March 18, 1902.*

"We find these figures are of great value."—*Clarence F. Low, Resident Secretary Liverpool and London and Globe Insurance Company, New Orleans, La., March 22, 1902.*

"I quite appreciate the value of your publication, 'Fire Insurance by States,' having been a subscriber for same very nearly if not quite ever since you issued it, at all events since 1888, since when I have a complete set at my elbow for handy reference."—*William J. Dutton, President Fireman's Fund Insurance Company, San Francisco, Cal., May 10, 1904.*

"We find this book very useful indeed, and have had it on our files for many years."—*George H. Tyson, General Agent, San Francisco, Cal., March 25, 1902.*

"The record of 'Fire Insurance by States' is a most excellent piece of statistical work."—*Pacific Coast Department Pennsylvania Fire Insurance Company, San Francisco, Cal., March 25, 1902.*

"It is the book of all others most desired by the writer."—*J. R. Cravens, General Agent, Dallas, Tex., June 7, 1901.*

"I find the book very interesting and useful."—*John W. Gordon, General Agent, Richmond, Va., May 11, 1904.*

"The 'Record of Fire Insurance by States' is a very valuable publication."—*Thomas Egleston, General Agent, Atlanta, Ga., May 6, 1904.*

PRICE $15.00

THE WEEKLY UNDERWRITER

58 William St., New York City

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, JUNE 10, 1905. No. 23.

Published every Saturday by the Underwriter Printing and Publishing Company.
Subscription price: Five Dollars per annum in advance.
All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.
Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.
Entered at the New York, N. Y., Post Office as second class matter.

AGAIN while we are going to press another turn in the Equitable Life kaleidoscope is being made. The directors are holding a meeting to determine whether they will elect a new chairman of the board, with dictatorial powers added, now or tomorrow or some other day. The situation seems to be narrowed to this: that a new man of national reputation and commanding ability shall be placed in charge, and all else shall wait upon the forthcoming report of Superintendent Hendricks, which is going to be "drastic." We print the troublous proceedings since our last issue went to press: the substance of the Frick report, the resolutions adopted at the two meetings of the directors, the resignations and the personal statements of the resigned. Was there ever such a mess?

THERE can be no question that public interest in the troubles of the Equitable Life has been inflamed and maintained at the point of tension by the exaggerated attention bestowed upon them by the great dailies of New York. Columns of space given to rumor and speculation, continuous repetition of cartoons holding up the principal actors in the drama to ridicule and contempt, double leaded editorial advice and insistence upon the course to be pursued by the policyholders, the directors, the Superintendent of Insurance, the Governor, the Legislature, even the national Congress and the President of the United States, have served to keep the subject red hot before the people and many tongues wagging over the situation. A not unreasonable theory has been entertained that all this turbulence has been induced by the longing inherent in the publication offices of our dailies to "sell papers." This phase of business policy has had much to do with conditions, but there are other causes more potent behind the strenuousness of the press. There is not one of our great dailies that is not under the influence of some of the high financial interests dominating the business of the country; not one proprietor of a great daily whose millions of dollars do not ramify through those interests in one direction or another. The interrelations of invested capital are an obvious fact. The struggles of the so called captains of industry for the supervision of the accumulated funds of the great corporation have been reflected in the columns of their newspapers. When either side wins completely we shall witness the subsidence of the excitement and not until then. Meanwhile the policyholder pays the freight.

As an example of long distance examination of life insurance companies we beg to cite the plan introduced this week by the insurance commissioners of Tennessee and Kentucky. If the companies doing business in those States respond under oath as exhaustively as they are invited to do there will be no need of incurring traveling expenses by insurance commissioners and their retinues of examiners to and from their respective State capitals. Here is what Messrs. Folk and Prewitt have asked of all the life insurance companies transacting business within their jurisdictions:

In view of the discussions and inquiries on the part of the public concerning life insurance and the management of the great American life insurance companies, we deem it our duty, as insurance commissioners of our respective States, and on behalf of the policyholders of our States, to submit interrogatories to you, designed to elicit full information as to the methods of management pursued by your company.

We request that you will answer and attest to these interrogatories at your earliest convenience, so that we may have the same on file in our offices for the information of the public and any policyholder.

1. Does any officer of your company receive, or has any officer in the past received, any personal benefit from the purchase or sale of securities by the company?

2. Does your company control, in whole or in part, any trust company, bank or other corporation? If so, please give names and explain such control.

3. Has any officer of your company received in the past, or does any officer now receive, any salary or other consideration from any trust company, bank or other corporation or business concern controlled in whole or in part by your company, or benefited in any way by your company?

4. With reference to policyholders having deferred dividend contracts, please explain the system in crediting to these contracts dividend earnings?

5. Please explain the policy of the company as to the character of its investment of its assets.

6. Is it the policy of the company to loan money on collateral securities, and, if so, what class of securities?

7. Please give the proportion for the last year or more of the expenses of the company to the expense loading.

8. In this connection, please give the salaries paid to the executive officers of the company.

9. We would be pleased for you to give any other information not covered by the above questions as to the conduct and affairs of your company.

THE reform Governor of Wisconsin "jumps all over" the reform proposed by Insurance Commissioner Host in the matter of compensation for examinations of insurance companies by the department. The commissioner in his annual report last year, which followed the onslaught upon him for charging up the expense of examining the Prudential to the company, advocated such a change in the law as would make the State bear the expense of such examinations. He said:

To place this cost upon the company examined is not only an imposition—and often the company needing an examination most is least able to stand the strain—but with this expense placed upon the company there is a certain feeling of hesitancy to incur the expense often necessary for a searching examination and then to criticise shortcomings. The examiners of the department should not be placed in a position of being compelled to receive anything from a company examined; their full compensation should come from the State. With the conditions now prevailing the very fact that large expense is involved may postpone needed examinations.

Strangely enough, Governor La Follette disagrees with this obviously correct view of the relations of the representatives of the State with the corporation to be examined by them, and almost vehemently insists that companies shall stand the cost of their examinations. "Such an expense ought not to be imposed on the State under any circumstances," he says. "It is of course important

that the insured public of this State should be afforded all reasonable protection against insuring in companies financially weak or unable to respond to the call of their respective contracts; but the companies should bear the cost or expense that is necessarily incurred in ascertaining the facts. The report of the insurance department of no other State should be taken as final on this subject. And when for any reason it is questioned, the State should not be subjected to the expense of determining the fact to the contrary, if such be the fact." And again the Governor says: "The companies themselves ought to pay the expenses incurred in making proof of their qualifications to do business in the State." The Governor makes other objections to the very carefully prepared bill by Commissioner Host, which passed both houses of the Legislature with evident satisfaction to the members. We can hardly believe that his opposition will do more than retard for a short time a movement which had its origin in the insurance commissioners' national convention several years ago, and has received the endorsement of the most trustworthy public officials, as well as the approval of insurance men. The most remarkable aspect of the Governor's position is that a man of his astuteness does not perceive the value of a method that would ensure honest examinations by taking away the dependence of the examiner for his compensation on the company examined. It must be a case of perverseness.

Facts and Opinions.

At the annual meeting of the **Fire Insurance Salvage Corps of Brooklyn,** held on Monday, the directors voted to extend the services of the corps by establishing a new station in territory bounded as follows: Beginning at the corner of DeKalb and Washington avenues, running easterly on DeKalb avenue to city line; thence southerly on old city line to Pennsylvania avenue to New Lots road; thence westerly on New Lots road to Manhattan Beach Railroad, and continuing along the line of said Manhattan Beach Railroad to Brighton Beach Railroad; thence northerly along Brighton Beach Railroad to Eastern Parkway and along the line of Washington and Underhill avenues to DeKalb avenue, the place of beginning. There was some opposition to allotting to one company so large a territory, especially as the majority of risks in the district named are dwellings, and the outlying sections are but sparsely settled. The consensus of opinion among Brooklyn local agents is that the runs are altogether too long and too frequent in the more congested districts, and that a wiser course would have been to make the new company, No. 3, take in a portion of No. 1's and No. 2's territory and reduce the present territory of No. 3, thus more equally distributing the work among the companies. The committee's point, however, is to make each patrol self supporting, which it believes can best be done under the present régime.

In the annual report of the **Maryland Insurance Commissioner,** Mr. Duncan makes the following recommendations for future legislation:

> A codification of the present State insurance laws with necessary amendments; a repeal of such charters for insurance companies as have been granted with special privileges; a law that will make all books, accounts and records of the State Insurance Department State records; a law that will authorize the State auditor to examine the books, accounts and records of the State Insurance Department; a law that will give the insurance commissioner the power to investigate under oath all violators of the insurance laws, more especially rebating and soliciting insurance without a license, with authority to dismiss the charge or refer it to the grand jury; a law to require all life and fire insurance companies doing business in this State to print or stamp conspicuously on the policies issued by them, and on all sample policies, in red ink, the following notice to policyholders: "This policy will be null and void if the premium paid to the company, or its agent, is less than the premium named herein"; in order to correct an evil which is reported to me as one prevailing to some extent—the issuing of ordinary life policies under conditions which lead the insured to believe that he is purchasing an endowment policy—I recommend the passage of a law making any such misrepresentations, whether made verbally, or by printed circulars, or by misleading verbiage in the policy itself, a misdemeanor, punishable with heavy penalties.

A correspondent of the *New York Commercial,* writing from Guthrie, Okla., comments on the **wildcat insurance frauds** perpetrated in the neighboring Indian Territory by Jesse L. Rogers and his gang. As is well known, they incorporated three pretended fire insurance companies at South McAlester, I. T.: the Phœnix Underwriters of New York, with $1,000,000 authorized and $1,000 paid up capital; Hartford insurance company, with $2,000,000 authorized and $5,000 (?) paid up capital, and Hartford Fire insurance company, with $1,500,000 authorized and $1,200 paid up capital. The correspondent says:

> The companies did a thriving business in Indian Territory. There were a number of losses and the holders of policies could find no offices. On investigation the authorities fail to find one instance where a loss has been paid. No office has been established according to law. The men behind the concerns, from what can be gleaned by the authorities, are D. C. Bowers, Jesse L. Rogers and J. Hunt Wood. Wood, it is charged, goes under the name of J. H. Weaver at times. When the first company was organized at South McAlester two well known Indian Territory citizens were connected with the company, but soon resigned and withdrew, publishing notices in the Muskogee and South McAlester newspapers that they were no longer connected with it. United States District Attorney Melette says there is an abundance of mail accumulating in the Muskogee post office, which remains uncalled for by members and officers of these insurance companies. The last time the operators were heard of was in North Carolina, where, it is claimed, they were selling insurance in the companies incorporated in Indian Territory. Bowers and Weaver were in Muskogee last winter for several weeks, but left before the authorities knew of the alleged fraud.

The new **Commonwealth Life of Louisville, Ky.,** has applied for a license to do business. It is capitalized at $200,000, and has the following officers: Col. John D. Powers, president; Judge Matt O'Doherty, first vice president; John Droege, fourth vice president, and Darwin W. Johnson, secretary and treasurer. The Commonwealth will write both ordinary and industrial business, the former being under the management of W. C. Trabue, formerly Kentucky manager for the Penn Mutual Life, and the latter under the management of Louis G. Russell, lately a superintendent of the Western and Southern Life of Cincinnati. The *Insurance Field* says:

> The Commonwealth will do business on a preliminary term basis and will write all forms of endowment, bond and limited payment policies. A number of new forms have been devised which are expected to meet with ready sale. In the industrial department it will issue policies in multiples of $100 up to $500, which will be known as "Commonwealth Specials." The general plan of the Commonwealth Life will be to establish itself thoroughly in Kentucky before branching out in other States, but its ultimate intention is to do a general business in widely distributed territory while extending its operations conservatively and carefully.

The last bone of contention in the affairs of **the Ætna Indemnity Company** has been removed by the present management through the elimination of the Baltimore office and the stockholding contingent in that city. The Baltimore office has been closed and a very large item of expense has been saved, which expense was not justified by the amount of business turned in through Baltimore. The modus operandi in adjusting the business with the Baltimore stockholders was solved in a very simple manner by President Heinze, who bought all of their stock, amounting to about 800 shares. It will be remembered that the Baltimore stockholders were the faction which was responsible for the unpleasant noto-

riety that the Ætna Indemnity received last year during the fight for control of the board of directors, which resulted in the downfall of the Baltimore crowd at the last annual election in January. The present management has very largely reduced expenses and materially increased the business of the Ætna Indemnity Company along more conservative lines.

The twenty-second annual meeting of the **Penn Mutual Agency Association** will be held at Cleveland, Ohio, June 27, 28 and 29, and, it is expected, will be largely attended by general agents throughout the country, as the company transacts business in every State. These meetings have been held annually at the expense of the agents participating therein, their object being comparison of ideas with an interchange of experience, and to gain such benefits as may legitimately accrue to associated effort. They are practically schools of instruction, held in the interest of economy of administration, and thus to a large degree dispensing with the salaries and expenses of trained experts in life insurance solicitation. As a rule they are well attended, and the meetings are usually addressed by the leading officers of the company, some of its trustees and others. President West has signified his intention to accept the hospitality of the association this year, and a cordial invitation has been extended to other officers of the company as well as a number of its trustees.

The enterprising New York *World* has the following inside information of doings at the **inharmony** meeting of the board of directors of the Equitable Life on Friday of last week, when the Frick report was presented:

Jacob H. Schiff and Cornelius N. Bliss engaged in a heated discussion and both became highly excited. At the height of the argument Mr. Schiff jumped up and said to Mr. Bliss:

"I'd like to knock your head off."

Mr. Bliss was on his feet in an instant, and squaring off retorted:

"Come on, then."

Before the two came to blows A. J. Cassatt seized Mr. Bliss and several of Mr. Schiff's friends quieted the banker and possible hostilities were averted.

It is related by another paper that Director Ingalls was so exasperated at the vigorous remarks made by Vice President Hyde in attacking the Frick report that he jumped up and, shaking his fist at the vice president, shouted "Young man, whom the gods destroy they first make mad!" Apparently Mr. Ingalls was already very mad.

The **new policy** issued by the **Standard Life and Accident Company**, to which allusion was made last week, is a form of **industrial policy.** As was then stated amounts paid for accident and disability are graded according to the premium. For loss of life, both hands or feet, both eyes, or one hand and one foot the principal sum is payable. One-half the principal sum is payable for loss of one hand, one foot or one eye; also if the insured should die within ninety days after exposure or infection of sunstroke, freezing, septicæmia or hydrophobia. Double indemnity is payable for injuries on public conveyances. The beneficiary is also insured under the policy for half the principal sum. Illness indemnity is payable if the sickness is contracted after the policy has been in force sixty days. Annual payment of premiums in advance or maintenance of the policy for a year increases the indemnities 10 per cent., and the same increase is made for each renewal up to 50 per cent. of the principal sum.

The chief interest in the **Connecticut Fire insurance company situation** in the West this week grows out of the resignation of M. H. N. Raymond, its State agent for Michigan, to go with the Royal Exchange in the same field. Mr. Raymond was regarded as the strongest man in the Connecticut's Western department, and it is conceded that he could take more agents with him than any other special agent in that field. It had been reported that Manager McDonald would consider the luring away of one of his special agents and of putting him at work in the same field as an excuse for war, but it is now not believed that anything will be done. Mr. McDonald says that of 3,400 agents in his department he received only 220 resignations up to June 6, which he asserts is much less than he had expected, and a great many less than his friends in the Union had predicted. He claims to have increased his premium income in May over $3,000, and that without increasing any of his lines.

This from the London *Insurance Index* is about **the other Equitable,** which is quite peaceable and makes no stir in this hustling world of ours:

Through the pending retirement of Mr. H. W. Manly, F. I. A., the actuary and secretary of the "Old" Equitable Life Assurance Society, a very desirable position in the life assurance world will become vacant. The Equitable was established in 1762, and although it has never employed agents or paid commission, its history is very largely the history of life assurance in this country. Who Mr. Manly's successor will be we are not at present aware, but it is obvious that the position is one that would not tempt every clever man. No doubt to be actuary and secretary to such a society would be simple paradise to many actuaries, but a really able and ambitious man could hardly settle down to a position in which the limits of development were so narrow. For although the Equitable has enormous merits, what can a society do in these days of stern competition when it is forbidden to pay commission or employ agents? At the best, it can only roll along easily with a comparatively small but superlatively choice connection. And probably the day has hardly yet arrived when the Equitable will definitely make up its mind to depart from the traditions of a century and a half.

The June meeting of the **Life Underwriters' Association of Western Massachusetts** was held June 3 at Riverside Grove, Mass. At 2 p. m. the members boarded the steamer Sylvia for a 5 mile sail down the river. After the steamer had docked, in the absence of the president, Mr. W. P. Draper called the meeting to order in the forward cabin, and after the election of new members and the appointing of delegates to the national convention Mr. E. O. Sutton read a very able and interesting paper, taking for his subject "The National Supervision of Life Insurance Companies." Following Mr. Sutton's paper there was a general discussion. The members then adjourned to the grove, where the many pleasures of this resort were enjoyed. At 5:30 the members again boarded the boat for a very enjoyable sail up the river to Holyoke, returning to Springfield about 8 o'clock in the evening.

A special meeting of the New York Board of Fire Underwriters was held on Wednesday to act upon the request of Mayor McClellan that the board should submit to him the names of three persons from whom he would select one to represent the fire underwriters on the **new Water Supply Commission.** The board unanimously adopted the recommendation of its water supply committee, of which Henry W. Eaton is chairman, in selecting as the three: Henry Evans, president of the Continental; Charles A. Shaw, president of the Hanover Fire, and Marshall S. Driggs, president of the Williamsburgh City Fire. The salary attached to the position is $12,000 per annum, and it is understood that it is practically for life. The mayor has made a similar request for nominations from the Chamber of Commerce of New York and the Manufacturers' Association of Brooklyn.

A system of submarine signaling which, according to the officers of the North German Lloyd liner Kaiser Wilhelm der Grosse, is destined greatly to **minimize the dangers of fog**

and mist to ocean liners when they are nearing shore has been fitted to the three great North German liners—Kaiser Wilhelm II, Kronprinz Wilhelm and Kaiser Wilhelm der Grosse. The apparatus, which the Kaiser Wilhelm officers declare has proved a complete success, consists of a small tank filled with a special solution of greater density than water, which is attached to the inner skin of the liner's hull, and which contains a microphone or transmitter. From the microphone a wire extends to the bridge, where the officer on duty with an ordinary receiver is enabled to hear distinctly submarine bells attached to the hulls of lightships miles away.

In a letter to Chairman Evans, of the **Committee of Twenty** of the National Board of Fire Underwriters, ex-President C. H. Woodworth, of the National Association of Local Fire Insurance Agents, commending the work of the committee and the engineers whom it employs for its inspections, says:

> In my opinion, the companies have never spent money more profitably than in the work of your committee, and it would be a great mistake to stop the work now or in the near future. It would be well for the National Board to maintain indefinitely a number of men sufficient to follow up the original recommendations, and to advise with tariff associations and municipal authorities regarding any changes or additional work proposed or necessary to be done; and should any question be raised as to the adequacy of the proposed improvements or the time employed in installing them, the decision of your committee would be accepted by municipalities as well as companies, whereas the opinion of the representatives of one or a few companies would not have great weight even if it were not contradicted by the next man that comes along.

The estimated **loss by fire in the United States and Canada,** in the month of May, according to the compiler of the *Journal of Commerce,* was $12,736,250. The comparison of losses in the first five months of this year, 1903 and 1904, is as follows:

	1903.	1904.	1905.
January	$13,166,350	$21,790,200	$16,378,100
February	16,090,800	90,051,000	25,591,000
March	9,907,650	11,212,150	14,715,400
April	13,549,000	23,623,000	11,901,350
May	16,366,800	15,221,400	12,736,250
Total five months	$69,070,600	$161,887,750	$81,322,100

The principal fires in May were those of the beet sugar factory at St. Louis Park, Minn., $500,000, and business block at Utica, N. Y., $453,000.

Marine underwriters are interested in the case of a German steamer, which was bound for Vladivostock with a cargo of coal recently, but was captured by the Japanese. The cargo was insured under an ordinary marine time policy, which does not cover the war risk. The owners have put in a claim for the return premium from the time the vessel was captured to the time the policy would have expired. Underwriters don't see it that way, for the indemnity was paid for, and had the vessel been sunk or the cargo destroyed in the ordinary ways the face of the policy would have been paid. Marine policies come to an end when the vessel is captured, and no return premium is admissible. Had the vessel been insured as a war risk the face of the policy would have been paid without question.

A **row of showy wooden amusement buildings** at Revere Beach, a popular shore resort near Boston, was licked up by the flames Saturday night. The main losses sustained were: Johnstown Flood building and contents, $30,000, estimated insurance $20,000; Palace Theatre, $6,500; insurance, $5,000; Kehoe's Block, $7,000; insurance, $3,000; Dawson City building, $6,000; not insured; the two Nicolini blocks, valued at $6,700, with $3,000 insurance. Personal property valued at $17,000, and practically uninsured, was destroyed. Here we see the effect of flimsy construction, insufficient protection and a 5 per cent. insurance rate. Like so many seaside aggregations of "frame," it was just a matter of luck that only a part instead of the whole of the proposition burned down after the fire started.

The **Frick committee made a peculiar blunder** in its report to the Equitable directors. Under the heading "Excessive Cash Balances" the committee, after stating that the Equitable held 5.5 per cent. of its assets in cash, the Northwestern Mutual 1.84 per cent., the Connecticut Mutual 1.79 per cent. and the Mutual Benefit 1.26 per cent., goes on to say: "The Northwestern Mutual apologizes in its report for having so large a sum in bank, the words being 'This amount is larger than the company usually has, as the receipts at the close of the year were so large as to prevent prompt investment.'" As an actual fact the words quoted by the Frick committee were not from any report issued by the company, but were from the examination of that institution made by S. H. Wolfe last January for the Wisconsin Department.

Being asked Wednesday about the truth of a daily paper dispatch that Superintendent Hendricks, of New York, had canceled the **Equitable's license** in New York and requested other State officials to take like action, Insurance Commissioner Cutting, of **Massachusetts,** said that he had not heard from Mr. Hendricks since the commissioners' conference at the outset of the Equitable trouble. "It was then agreed," said Mr. Cutting, "by all the insurance commissioners of the different States there assembled that we would await the action of the superintendent of New York. We have had the Frick report and now we are to have the Hendricks report, and then we will be guided by what New York does in the matter."

The topic selected by the committee of the **National Association of Life Underwriters** for this year's contest for the Calef Loving Cup is announced as "Loyalty as a Factor in the Development of an Agent." Essays are limited, as usual, to 1,000 words and must be forwarded to E. J. Clark, secretary, 1041 and 1043 Calvert Building, Baltimore, Md. Each competitor is required to place his name in a sealed envelope bearing a number corresponding to the number on the envelope containing his essay. The committee of award consists of Actuary Miles M. Dawson, New York; Prof. James W. Glover, University of Michigan, and Edson P. Rich, of the University of Nebraska, general counsel for the Union Pacific.

The operation of the **new contribution clause of the Chicago Underwriters' Association** is to be tested in the courts. F. W. Adams and the American Tube Company, who recently suffered a loss, have refused to accept settlement under the operation of the contribution clause and threaten suit. The sound value of their property was fixed by appraisal at $153,693, with $111,000 insurance and $94,331 damage. The policies were written under the 90 per cent. contribution clause, making the insured contribute $18,633 and the companies liable for $75,697. The assured refuses to accept this settlement, and claims the full amount, holding that the contribution clause is not enforceable in Illinois.

It has developed that while the Cunarder Caronia was aground off Sandy Hook last week the attempts to reach her sister ship, the Lucania, then at the dock, by means of **the**

wireless telegraph, were attended with considerable difficulty. Just what the matter was has not yet been fully determined, but the fact that a few other vessels have had somewhat similar difficulties in sending messages across New York harbor has led to the conjecture that Madame Liberty stretches forth her bronze arm and collects the sensitive electric waves, or otherwise deflects them from their intended course. As the entire statue, with the exception of the pedestal, is made of bronze there may be "something in it."

A compromise has ended the litigation with the **accident** companies over the **insurance** on the **life of Lina Christiansen,** of Minneapolis, who was killed last December by Fred Richardson. The companies refused payment, claiming that their policies did not cover murder under the conditions of this case. The claimants contended that the murderer was insane, which would make the companies liable under their policies. The case went to trial, but after thirteen talesmen had been examined and each had said he believed the murderer was insane at the time he committed the deed, the companies withdrew the case and settled at 70 per cent. of the $8,000 involved.

The **Illinois Life** is issuing a **new premiums return endowment policy** to meet the complaint of some people against endowment insurance that, in the event of death within the endowment period, they have paid in excess of the cost of ordinary life insurance and forfeit to the company the investment portion of the premiums paid. The premiums return endowment policy is written under the same conditions and objections as the regular endowment contracts, but provides that all premiums paid shall be returned to the beneficiary, in addition to the face of the policy, in case of the death of the assured within the endowment period.

A **movement against national supervision** of life insurance has been begun by the life insurance companies of Iowa, which have formed an association to oppose it. The reason given for the movement is that Iowa law sufficiently protects the policyholders, and companies would have less prestige under national supervision than under the present system. The new association includes all the old line companies of the State: Des Moines, Central, Royal Union, Equitable, American of Des Moines and the Register and Mutual Benefit of Davenport. H. G. Everett, of the Central, is the secretary of the organization.

The business of the **Pacific Mutual Life** produced during the month of May 36 per cent. in excess of that of the same month of 1904. The year thus far has been the largest in the company's history in all departments. The business is still coming in in generous volume, and as the month of June is keeping pace with the record of the previous month Manager Mann feels certain that the year of 1905 will be a record one for the company. The Eastern division is likewise able to report that it is many months ahead of last year in the matter of produced business.

The annual meetings of the **Illinois Field Club and the Illinois State Board of Fire Underwriters** will be held conjointly at Delavan Lake, Wis., June 13 and 14. Separate sessions will be held in the morning and joint sessions in the afternoon, the evenings and as much as possible of the days being given up to sociability. The Illinois field men make a practice of taking their wives with them to these annual meetings, and this first joint session is expected to be unusually pleasant. A baseball game has been arranged between the two organizations.

The former cashier in the branch office of the Wells-Fargo Express Company at 17 East Fourteenth street, **Daniel M. Toby,** whose arrest was brought about by his surety, the National Surety Company, has been arraigned in the police court in New York and held pending a further investigation as to the amount of the shortage in his accounts. The National Surety Company has been especially active in the last few months bringing about the arrest and prosecution of persons bonded by it who defaulted.

At a regular meeting of the policyholders of the Knights Templars and Masons Life Indemnity Company of Chicago, held in that city May 24, the name of the company was changed to the **Western Life Indemnity Company,** and the same has been approved by the Secretary of State of Illinois. On June 5 the company removed to its new offices, the sixth floor of the Masonic Temple, in Chicago, where it has installed a new and complete office system, under the direction of expert advice.

A meeting of all the companies writing **tornado insurance in the West** has been called for the Chicago Underwriters' Association assembly hall June 24, to consider the report of the committee appointed at the preliminary meeting to devise a uniform policy for writing tornado insurance. It is probable that a permanent organization will be effected at this meeting, and that the question of rates will be taken up. It is not thought that the commission question will be touched.

The scant expression of opinion at last week's meeting of the **Boston Board of Fire Underwriters,** when the new solicitors rule was adopted, caused a sufficient number of agents to ask for a special meeting, which was held last Tuesday, and a free interchange of views on the subject of solicitors' and sub-agents' compensation was indulged in. No action was taken, however, and the new rule stands for the year of its enactment.

The Connecticut Life Underwriters' Association is preparing for the **annual meeting of the National Underwriters' Association,** which will be held in Hartford in September next, by the appointment of committees on finance, press, hall and banquet, entertainment of ladies, special entertainment and reception. The general committee will be composed of the local executive committee and the chairmen of all the other committees.

A suit has been brought at Houston, Tex., against a life insurance company which lapsed a policy for non-payment of premium. It appears that the company did not **notify the policyholder of premium due,** and he forgot all about it. His heir sues for the amount of the policy on the ground that "the company endeavored to defraud the beneficiary by failing to notify him of the premium being due."

The small town or city of **Greensboro, N. C.,** aspires to be the **Hartford of the South,** and has just organized its fifth fire insurance company within a few years. The Greensboro Fire is chartered with $100,000 capital. There are also three small life insurance companies hailing from Greensboro.

Before the late William C. Jutte died he arranged **to astonish his wife** when she should become a widow—and his

scheme was a great success. He left a policy on his life for $200,000 in the Equitable Society, and said not a word to her about it. Having failed in business it was supposed that he was penniless. The company paid a check for the amount of the policy, with additions, last week.

The **Arkansas** Legislature adopted new laws facilitating the **admission of mutual fire companies** to the State in order to supply the deficiency caused by the forced retirement of the stock companies on account of the King anti-trust law. The first company admitted under this law is the American Guaranty Fund Mutual Fire of St. Louis, which is required to put up an indemnity bond of $25,000.

The Atlanta *Insurance Herald* has the following **illuminating and tuneful news item:**

In the early part of April the "Sunlight" insurance company of Atlanta was granted a charter to operate on the mutual assessment plan. A few days ago the "Sunset" Mutual Life of Royston, Ga., applied for a charter. The "Angelus" Mutual of Moultrie was granted a charter last Saturday. The "Sunset" has for its leading man E. C. Lester, formerly of Atlanta and once a solicitor for the Penn Mutual.

A Chicago firm, A. F. Shaw & Co., has made a contract with London Lloyds, by which it is enabled to issue **tourist insurance contracts** at 2¼ per cent., covering loss or damage to the assured's effects from any cause on land or sea in the United States, Canada, Mexico and Europe. The policy covers effects while worn on the person against fire, robbery, theft, marine and all other risks.

A number of **real estate, mine and other schemes** have been floated in the West, under plans which provide that in case the purchaser dies before his stock is paid for on the instalment plan it shall become fully paid up. Insurance Commissioner O'Brien, of Minnesota, has ruled that such contracts are insurance contracts in effect, and firms offering them must take out insurance licenses.

The *Insurance Press* nominates for chairman of board of directors of the Equitable Life **Haley Fisk,** with plenary power. It is a good nomination and is hereby indorsed. Our contemporary says:

He is a strong executive; is experienced in the life insurance business; is a thoroughly trained lawyer; is in the prime of life; has the confidence of every State insurance department in the United States; has the ability to bring order out of chaos.

An action has been begun in the Supreme Court, Kings County, by Laura B. Cunningham, as executrix of the estate of her husband, William B. Cunningham, against the **Mutual Reserve Life** and George W. Harper, its treasurer, to recover $250,000 for the death of the plaintiff's testator. Cunningham was killed by the fall of an elevator in the Mutual Reserve Building on Broadway.

In an address at Bryn Mawr College on Thursday Henry James, the author, characterized **American daily newspapers** as "black eruptions of type," and said that they resembled "the roar of some monster or mighty maniac breaking loose." Our critical ex-countryman must have been reading the Equitable Life insurance pages of the New York dailies during the past month.

Thirteen agents of three unlicensed fraternal concerns were **fined $100 each** at Meridian, Miss., last week, Insurance Commissioner Cole being the prosecutor. The concerns were the Great Southern Home of Birmingham, Ala.; Mutual Aid of Mobile and American Aid and Benefit of Mobile. The agents have appealed their cases.

"Fire and Theft Loss Schedule" is the title of a handy inventory schedule issued by E. E. Clapp & Co., of the Fidelity and Casualty Company, this city. In it are alphabetized lists of property insured in each room in the house, with spaces for description and values. The schedule form is copyrighted.

The organization of the **Ætna Club** by Southern specials of the Ætna insurance company was effected last week at Richmond, Va. Charles A. Pexay, special agent for Louisiana and Mississippi, was chosen president, and Priolean Ellis, special agent for Alabama and Florida, secretary and treasurer.

Trustees of the Mutual Life of the class of 1905-1909 were elected on Monday, they being as follows: Frederick Cromwell, Robert A. Granniss, William Babcock, Stuyvesant Fish, Augustus D. Juilliard, George G. Haven, James Speyer, William H. Truesdale and Cornelius Vanderbilt.

The Eaton agency at Kansas City has **resigned the Connecticut Fire** insurance company and takes on the German-American, exchanging companies with the Muelhshester & Jaiser agency. The Connecticut also plants a second agency in Kansas City with the Johnson agency.

The **International Association of Fire Engineers** will hold its thirty-third annual convention at Duluth, Minn., August 16-19. A very interesting program is prepared, and it is expected that several of the fire underwriting organizations will be represented at the meeting as guests.

The **New Brunswick Fire** of New Brunswick, N. J., will reenter the State of New York, under the management of W. L. Perrin. The company, which is the oldest in New Jersey, having been organized seventy-nine years ago, has recently increased its capital to $200,000.

The **Anchor Fire of Cincinnati** is to be reorganized on a strong financial basis, and the name will be changed to the Ohio German Fire insurance company. A committee composed of Adolph Loeb, Leo A. Loeb and M. Donnelly has the reconstruction in charge.

The **National Accident Society** of New York, an assessment association, has advertised its intention to become a stock company, with $100,000 capital and a surplus. It was organized in 1885, and has since been under the management of Joseph I. Barnum.

The **Fidelity and Casualty Company** will write burglary, personal accident and health insurance in Canada, and has deposited $90,000 with the Government treasury at Ottawa. Lukis, Stewart & Co. have been appointed chief agents for the Dominion.

The Kentucky Insurance Commissioner having ruled that **incorporated fire insurance agencies** are not entitled to licenses under the law, A. G. Simrall, who is the head of such an agency at Covington, Ky., has gone to the courts to test the question.

In accordance with the conservative policy of the **National Surety Company,** President Joyce recently directed the cancellation of the fidelity business of the United States Health

and Accident Company of Detroit, Mich., which had proved unprofitable.

The **Continental** insurance company of New York has **purchased property** at 158 Montague street, Brooklyn, and will erect thereon a new building. It already owns a handsome building on the corner of Montague and Court streets, where its present Brooklyn office is located.

The excellent **"Insurance Directory and Business Chart of Baltimore,"** with Washington and the States of Maryland, Delaware and West Virginia, issued by James H. McClellan, of the *Baltimore Underwriter*, has appeared in the 1905 edition, price $1.

On Monday Charles A. Dean resigned as president of the **United Auditing and Adjusting Association**, and Col. J. A. Sinn, of Philadelphia, was elected his successor, with the title of "chairman," that of "president" having been abolished.

At the annual meeting of the **Charleston, S. C., Board of Fire Underwriters** this week officers were elected as follows: William T. Thompson, president; C. Norwood Hastie, vice president, and James Cosgrove, secretary and treasurer.

The **organization of a stock life insurance company in New Orleans** is being promoted, the stock being allotted to various sections of the South in which the company expects to do business, so as to enlist local interest.

The articles of incorporation of the new **Lincoln National Life of Fort Wayne,** Ind., have been forwarded to the Insurance Department. The capitalization is $20,000, and the company expects to begin business July 1.

The announcement that Edwin G. Seibels had been appointed Southern manager for the **Royal Exchange Assurance Company** is now said to be premature. Trezevant & Cochran have been appointed general agents for the Southwest.

It is claimed that four-fifths of the capital stock of the **United Surety Company** of Baltimore has already been subscribed, and that the new company will be in condition for business within a short time.

The headquarters of the State agency for Connecticut of the **John Hancock Mutual Life,** under Wilbur P. Dayton, have been moved from Bridgeport to the Connecticut Mutual Life Building in Hartford.

All the separate departments heretofore maintained by the **Maryland Casualty Company** in the city of New York have been consolidated, and the business will now be done from 76 William street.

The **Queen City Fire** of South Dakota has been licensed in New Jersey. The Eastern States in which the company now operates are Ohio, Pennsylvania and New Jersey.

The May business of the **Northwestern Mutual Life** shows an increase of $2,000,000 over the largest May in the company's existence.

The New York Insurance Department has issued a license to the **Life Insurance Club of New York,** a new organization, with $100,000 paid up capital, which proposes to do business on the level premium plan.

The **Reliance Life of Pittsburgh** will make the $50,000 deposit required by Virginia and enter that State under Manager Sanderlin.

Personal.

AGENCY APPOINTMENTS.

American of Newark: Gordon & Frazier, of San Francisco, general agents for the Pacific Coast.

Casualty Company of America: H. H. Lovell, of Indianapolis, general agent for Indiana.

Fidelity and Casualty: S. A. Stockwell, Minneapolis, Minn., succeeding E. A. Gilman; Hughson & Dearth, St. Paul, Minn., succeeding Hughson & Hemenway; James A. Marvin & Co., Washington, D. C., succeeding Marvin & Ruebsam.

Interstate Life: G. D. Clymer and Frank R. Alderman, State managers for Illinois, with headquarters at Chicago.

London Guarantee and Accident: Charles J. Pryce, special agent for Indiana, with headquarters at Indianapolis.

National Life of U. S. A.: B. M. Thompson, manager for Southern Montana, with headquarters at Bozeman; George F. Booth, manager for Southern Montana, with headquarters at Missoula; Shirley C. Ashby, manager for Northern Montana, with headquarters at Helena.

New Amsterdam Casualty: Godfrey & Hennessey, of Detroit, State agents for Michigan.

New York Underwriters' Agency: Warfield & Kreismann, managers for St. Louis, Mo.; Bruce W. Ravenel, special agent for South Carolina.

Phenix of Brooklyn: A. C. Robertson, special agent in Wisconsin, is transferred to Oklahoma and the Indian Territory; Mark Banta is transferred from Kansas to Colorado, and Earl Thomas from Colorado to Texas as special agents; Robert Air returns to Kansas.

Prudential: C. N. Avery, State agent for Alabama, with headquarters at Montgomery.

Queen City Fire of South Dakota: C. A. Miller, Newark, N. J.

Southwestern Life of Dallas: E. H. Kabler, of Richmond, State agent for Virginia.

State Mutual Life of Worcester: Alphonse L. Noe, general agent for Central and Western Kentucky, with headquarters at Louisville, succeeding Captain J. L. Adams.

Mr. James S. Catanach, special agent of the Hartford Fire insurance company for twenty-five years past, in the middle department, died last Saturday in Philadelphia very suddenly, aged about sixty-five years. He was a native of Philadelphia and was secretary of the old Manayunk insurance company from 1876 to 1880. In that year he became Eastern special agent for the Fireman's Fund, and in the following year entered the service of the Hartford Fire. He was president of the Underwriters' Association of the Middle Department in 1897. Mr. Catanach was an authority on the co-insurance clause and wrote frequently for the insurance press.

Mr. G. H. Worthington, who resigned as chief clerk of the Western department of the Connecticut Fire to become superintendent of agents of the Western department of the Delaware and Reliance, assumed his new duties June 5, and found on his desk a fine bouquet of American Beauty roses, with the compliments of his former associates in the Connecticut office.

Mr. Robert Whitney, agency director at Denver for the New York Life, has been transferred to Chicago and given charge of the Washington street branch, succeeding Ralph Stevens, who retires to go into other business. Mr. Whitney will also act as supervisor of agencies for part of the Western field.

Mr. Max Parpart, special agent of the Westchester Fire insurance company for the city of New York and suburbs, died suddenly on Wednesday at Mount Vernon, N. Y., from the effects of a stroke of paralysis. Mr. Parpart had been connected with the company over twenty-five years.

Mr. L. A. Warfield has resigned as State agent and adjuster of the New York Underwriters in Missouri to go into the local agency business in St. Louis as a partner in the F. H. Kreisman agency, taking effect July 1.

Mr. J. F. D. Curtis succeeds Mr. George E. Butler as Pacific Coast manager of the Providence-Washington. Mr. Curtis has been for some years head office man for Mann & Wilson, of San Francisco.

Messrs. Daniel Woodcock & Co. are writing surplus liens in the Home Insurance, Banking and Trust Company, of Galveston, Tex., whose assets are $100,000 and capital stock $100,000, fully paid.

Messrs. Umbdenstock, Hooker & Co., of Chicago, have been appointed general agents of the Des Moines Fire insurance company, of Des Moines, Ia., for the United States outside of Iowa.

Mr. Elmer Dwiggins, manager for the Equitable Life of New York in Iowa, has been appointed manager of agencies of the Central Life of Des Moines, taking effect July 1.

Mr. George M. Brush has been appointed superintendent of agents, ordinary branch, of the Boston Mutual Life. Mr. Brush has seen service

with the Equitable, Security and Mutual Life. As supervisor of agents in Essex County for the Mutual he was very popular with the field force, obtaining excellent results.

Mr. Frank A. Colley has been appointed special agent of the Commercial Union and Palatine for the State of Pennsylvania. His headquarters will probably be at Harrisburg.

United States Manager Charles H. Post, of the Caledonian, has returned from the recent centennial anniversary meeting of the company at Edinburgh.

Superintendent Arthur I. Vorys, of Ohio, has been reappointed for a third term. He succeeded Superintendent Matthews in 1900.

King Alphonso of Spain was heavily insured by Lloyds against assassination during his visit to England this week.

Mr. C. F. R. June, insurance agent at Brattleboro, Vt., died there from pneumonia on Wednesday last.

Mr. S. Logan Lang, insurance agent at Camden, S. C., died there May 25.

Mr. J. M. Wilson, a well known fire underwriter, of Manning, S. C., is dead.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Florida.

Tallahassee, Fla., June 4.—The Legislature has adjourned without passing any of the insurance bills before it.

The Governor's pet bill to establish life insurance by the State, which passed the House, was talked to death in the Senate during the last hour and a half of the session.

Michigan.

Lansing, Mich., June 6.—Both houses have passed the Insurance Commissioner's bill embodying the exact form of the standard policy in use in Michigan for the past twenty years. The Supreme Court of the State recently declared the previous standard policy legislation unconstitutional.

New York.

Albany, N. Y., June 5.—Governor Higgins left unsigned on the expiration of the constitutional thirty days the following insurance bills:

Senator Grady's, forbidding fire and marine insurance companies of other States and countries from including in their assets loans on their own stock, or on the stocks of any other corporations carrying on the same kind of insurance business, or investments therein, and requiring companies now holding such loans and investments to dispose of them within ninety days after notice by the Superintendent of Insurance, on pain of revocation of authority to transact business in this State. This was the bill rushed through the Legislature during its closing hours, and which had no apologist but Grady when the Governor held a hearing upon it.

Assemblyman Tompkins', providing that officers of fraternal beneficiary societies may be elected by direct vote of individual members.

Wisconsin.

Governor La Follette on Monday vetoed the Insurance Commissioner's bill which passed the Legislature, providing that the expense of examining insurance companies shall be paid by the State instead of the examined companies, except where they evade their tax requirements or make full returns in relation thereto. The following are extracts from the Governor's veto message:

I herewith return, without approval, Bill No. 253, originating in the Assembly, entitled "An act to regulate the examination of insurance companies by the Department of Insurance."

This bill proposes radical changes in the insurance laws of the State as to the examination of insurance companies by the Department of Insurance. It repeals provisions of the statutes which, it seems to me, are necessary safeguards and a protection to the policyholders of the State as to the initiation and conduct of such examination. It would entail upon the State a large increased expense without corresponding good results or benefits.

The first section of the bill makes it the duty of the Commissioner of Insurance to examine every insurance company organized under the laws of this State, at least once in four years. He is required to make a record of such examination, and to report the same to the Governor, with an itemized statement of all expenses connected therewith. These expenses the State must pay. The terms of this section seem to imply that all insurance companies of every kind, organized under Wisconsin laws, shall be subjected to this examination. Under the same section it is required that reports of this examination shall be sent to other States in which any such company is transacting business, at, of course, additional cost to the State.

There are of mutual fire, stock fire, live stock, assessment accident associations, and fraternal beneficiary societies thirty-eight organized under the laws of this State. There are two hundred and fifty-five local mutual insurance companies so organized, making a total of two hundred and ninety-three companies in all. None of these are in terms exempted from the operation of this proposed law. Presumably, all of them are within its provisions. Their examination at least once in four years, as required in Section 1, would necessarily impose a very large expense upon the State. The corresponding benefit to the insuring public is not apparent. If it is not designed to subject local mutual insurance companies and fraternal beneficiary societies to the provisions of this act, then they should be excepted in terms. The Legislature has heretofore given that construction to its acts and specifically excepted town, church and other local mutual insurance companies, and fraternal insurance associations, from the operation of general statutes enacted with reference to insurance companies, wherever such local insurance companies and fraternal beneficiary societies and associations were not intended to be embraced within the law. If it is to be applied to such organizations, why should not they be required to pay the expense of such examinations? Local mutual insurance companies and fraternal beneficiary societies, and other organizations of like character, are under the direct control of those most interested in them. It would seem that they might be entrusted to exercise a watchful care over their own business. If examinations by the Commissioner of Insurance are necessary, then the expense of these examinations should be borne by the companies for whose benefit they are made.

Section 2 of this bill requires companies, "organized under the laws of any other State or foreign government, authorized to transact business in this State, to file at least once in five years from the date and passage of the proposed act a certified copy of the report of an examination by the Insurance Department of its own State; or if a company organized under the laws of a foreign government, either by the Insurance Department of the State with which its United States deposit has been made, or by the Department of Commerce and Labor at Washington, as soon as each such examination has been completed."

Why insurance companies of other States or foreign companies, which are doing the business of insurance in this State, should not be required to make reports as often, at least, as those which are organized under our laws is not apparent. Indeed, it would seem as though the companies organized under the laws of other States and of foreign countries should be required to make such reports more frequently than those at home, which are under the constant scrutiny of the people of the State. Whether this examination is to be provided for by the laws of other States, or to be made upon the request of the insurance company required to file it in this State, is not stated. If it be made under the laws of other States or foreign countries more frequently than once in five years, it is left indefinite and uncertain as to whether, under the provisions of this bill, it should be reported to the authorities here as often as it is required by the States in which such companies are located. The provision contained in this section that as soon as "such examination" has been completed it shall be reported here would seem to make the matter still more uncertain. It is perfectly apparent, however, from the provisions of this section that if the report is made once in five years the expense of any further examination of the company making it which may be thought necessary to be conducted by the authorities of this State shall be borne by the State itself, excepting where the company has evaded the payment of taxes or fees lawfully due. Such an expense ought not to be imposed upon the State under any circumstances. It is, of course, important that the insuring public of this State should be afforded all reasonable protection against insuring in com-

panies financially weak, or unable to respond to the call of their respective contracts, but the companies should bear the cost or expense that is necessarily incurred in ascertaining the facts. The report of the Insurance Department of no other State should be taken as final on this subject. And when, for any reason, it is questioned, the State should not be subjected to the expense of determining the fact to the contrary, if such be the fact. * *

This bill proposes to repeal Sections 1969, 1221, 1955h, and 1955i, Statutes of 1898. These sections contain many safeguards to the insuring public, and are a protection against deception and fraud to those who insure. It is unnecessary to examine them in detail.

Section 1955h of the Statutes of 1898 is proposed to be repealed. It gives the Commissioner power to address written inquiries to the companies and compels them to answer under oath, and provides penalties for failure so to do. No similar provision is found in the proposed measure. This section of the statute, compelling answers to questions proposed by the Commissioner, may, in many instances, make unnecessary any further examination or investigation, and no expense is thereby incurred either to the company or to the State. It likewise gives the Commissioner power to revoke the license of the company, if it have one, if it fails to comply with this provision, or if it has violated any law of the State. It would seem to be a wholesome statute.

This bill likewise proposes to repeal Section 1968 of the Statutes of 1898. The provisions of this section are of great importance to the proper administration of the insurance laws of the State. It likewise authorizes the Commissioner to address inquiries to the companies. It does not give to him the exclusive power to determine whether an investigation shall be made. He must examine into the affairs of any company on complaint made to him that it has made a false report, or its condition is unsound financially. And the most important provision of all is the limitation of fees which he may charge for that purpose, the language of the statute being:

"* * which expenses, however, shall not exceed five dollars per day during the time of the examination and five cents per mile for traveling by the most direct route in going to and coming from the place where such examination took place; but no corporation examined shall, either directly or indirectly, pay by way of gift, gratuity or otherwise, any other or further sum to said examiner, for service, extra services, or for purposes of legislation, or on any other pretense whatever."

It may be that the compensation provided by existing law is not what it should be, but it certainly should be prescribed by law. The provision in Section 1968 prohibiting any gift or gratuity from the company which is examined, which this bill proposes to repeal, is a wise one and ought not to be dispensed with.

In the case of a commissioner wrongfully disposed, if such should be elected, it is a necessary restraint on any act of peculation or dishonesty. It was enacted for that purpose. Companies which are entitled to do business in the State, and could not qualify under existing laws, might be greatly benefited by the payment of a large sum to the Commissioner as a price for admission into the State. It might be true that this could be done in violation of the statute as it exists, but, under the law, it is prohibited. This section ought not to be repealed, but it ought to be amended by prescribing a heavy penalty for its violation.

It is unnecessary to extend this discussion. The statutes pertaining to the subject embraced within this bill undoubtedly require amendment in some particulars. This bill would not, in my judgment, make the laws as efficient nor as perfect as the provisions of the statute now in force. The sections proposed to be repealed, it seems to me, weaken the force of the statutes on the subject, and those contained in the proposed bill are, some of them, not only not corrective but very harmful.

Madison, Wis., June 7.—The Dahl bill, Assembly No. 34, taxing the reserves of life insurance companies, was killed today in the Assembly.

Miscellany.

Death of Patrick J. Hanway.

Mr. Patrick J. Hanway, publisher and editor of the *Vigilant,* died on Monday evening, after a brief illness, although he had been in impaired health for some time. Early in the year he had an attack of pneumonia, which brought him very low, and his life was for several days despaired of. Later Mrs. Hanway's lamented death took place, and the natural depression caused by this event, as well as the continuance of the effects of his long illness, were undoubtedly the remote, as an abscess on the brain was the immediate, cause of his death.

Mr. Hanway was fifty-eight years old. He was a native of Dunshaughlin, Ireland, where he was born March 12, 1847. He came to this country in his young manhood and adopted the profession of journalism. He was at first city reporter, special correspondent and law reporter on the daily press, and it was not until 1870 that he entered insurance journalism, as associate editor of the *Chronicle.* He was afterward for twelve years associate editor of the *Insurance Record,* and then became editorial writer for and publisher of the Brooklyn *Daily Standard* and *Standard-Union.* This connection was continued nine years.

In 1893 Mr. Hanway returned to insurance journalism and established the *Vigilant.* His experience, ability, force and fearlessness conduced to keep his paper in the front rank from the beginning. There has been no more readable insurance monthly than his. Mr. Hanway's other special interest was in the New York Press Club, in which he was always an active member, at one time its first vice president and often the chairman of its board of trustees. He had also been vice president of the International League of Press Clubs.

There was no more beloved man in the insurance business than Patrick J. Hanway. He had the Irish traits of geniality, wit, good humor, kindliness, generosity and courage, and thus endeared himself to hosts of admiring friends. He was foremost in all plans of helpfulness and encouragement for others. To quote from a contemporary he was "a large man physically, mentally and socially." His loss is and long will be sincerely mourned.

The funeral services took place at Bath Beach, L. I., on Thursday morning. There were large delegations present from the insurance journalists and the New York Press Club. Among the intimate friends of Mr. Hanway who paid the last tribute of respect to his remains were President John A. McCall, of the New York Life, and Justice Edward E. McCall, of the New York Supreme Court. Mr. Hanway left two daughters, the Misses Margaret and Claire Hanway.

MEETING OF INSURANCE JOURNALISTS.

On the call of Mr. C. J. Smith, publisher of the *Insurance Record,* a meeting of the insurance journalists of New York city was held in the office of THE WEEKLY UNDERWRITER, 58 William street, at 2:30 o'clock, on the afternoon of June 7, to take appropriate action on the death of Mr. Hanway.

There were present Charles J. Smith, of the *Insurance Record;* Col. Clifford Thompson and W. S. Barnaby, of the *Spectator;* Judge W. S. Nichols and R. B. Moyer, of the *Insurance Monitor;* George W. Hatch, of the *Insurance Age;* Charles F. Howell, of the *Insurance and Commercial Magazine;* Edward Bunnell Phelps, of the *American Underwriter;* Franklin Webster, of the *Insurance Press;* A. G. Hall, of the *Surveyor;* Garrett Brown, of *Protection;* A. E. Harrell, of the *Insurance Critic;* Allen Forman, of the *Journalist;* Mr. Goldie, of the *New York Insurance Journal;* W. De M. Hooper, and W. E. Underwood, of *Assurance,* and Charles A. Jenney and George W. Olney, of THE WEEKLY UNDERWRITER. Messages of regret for inability to be present were received from Charles A. Lakey, of *Insurance;* George D. Eldridge, of the *Guardian,* and Mr. Watson, of the *Chronicle.*

On motion of Mr. Jenney Mr. Smith was elected chairman and Mr. Underwood secretary.

On taking the chair Mr. Smith said that the announcement of Mr. Hanway's death was a surprise and shock to him, as it was to many others of his intimate friends. He keenly appreciated the loss, for Mr. Hanway and himself had been intimate, personal and business associates for many years.

On the suggestion of Mr. Jenney contributions were made by the gentlemen present toward the purchase of appropriate flowers for the occasion.

A committee on resolutions, consisting of Messrs. Webster, Howell and Phelps, reported the following resolutions, which were unanimously adopted:

Resolved, That in the death of Mr. P. J. Hanway, late editor of the *Vigilant,* insurance journalism loses one of its most able representatives, and the members of our profession a much beloved associate. We wish to express our most sincere sorrow and regret at the loss we have sustained, and extend our earnest sympathy to the members of his family, who have been so sorely afflicted. In his death we lose a most useful and intelligent member.

Cut off in the prime of his life, and in the midst of a useful career, his death is one to be deeply lamented. His good qualities of head and heart endeared him to us, and will stand as monuments of virtue to his memory.

On motion it was unanimously voted that the resolutions be engrossed for presentation to Mr. Hanway's family, and by request of the chairman he was himself designated to perform this duty.

A large number of the gentlemen present announced that they would attend the funeral services.

The Equitable Life Assurance Society—Report of the Frick Investigating Committee—Subsequent Proceedings.

The report of the Frick committee, appointed to "thoroughly investigate and report upon the present management of the society," published in the New York *Times,* occupied seventeen solid columns of that paper. It gave a history of the controversy between Vice President Hyde and the officers of the company, which the latter began ostensibly for the purpose of bringing about the mutualization of the company, examined the charges made by Mr. Alexander and the counter charges of Mr. Hyde, related the syndicate transactions of "James H. Hyde and Associates," and discussed the agency transactions of Vice President Tarbell. The deferred dividend plan, upon which a large part of the business of the company is done, was considered and disapproved of, and its abandonment recommended. The summing up of the findings of the committee, after considering the relations of the directors to the company, was as follows:

4. That the directors are responsible for constructing the executive and finance committees of the same persons (except one), thus destroying the check upon and the supervision over the executive committee which the by-laws provide shall be exercised by the finance committee. The committee recommends the reorganization of these committees.

5. That the minutes of the proceedings of the executive committee have not been kept in the manner provided by the by-laws, and that in the conduct of its business there has been a marked absence of that formality which is proper, if not essential, in dealing with a trust of such great magnitude.

6. That the members of the executive committee named in Mr. Hyde's letter to the committee of April 27, 1905, participated with Mr. Hyde in the profits of the syndicates, detailed in said letter, and are justly indebted to the society for the amount of said profits.

7. As to the president of the society, the committee finds that he concealed from the board of directors his knowledge of the irregular conduct of the vice president in relation to the society's affairs at times when the vice president was a candidate for re-election, and that the president had knowledge of these irregularities, to the extent that the committee finds they existed, and that many of these irregularities were openly encouraged and participated in by the president.

8. That the president failed to bring to the attention of the directors, the executive committee, or the finance committee his knowledge of the vice president's wrongful acts as detailed in the president's specific charges of May 2.

9. That the president participated in the profits of the syndicates of "James H. Hyde and Associates," as detailed in Mr. Hyde's letter of April 27, 1905, and that he is justly indebted to the society in the amount set out in said letter, and that he had knowledge of the syndicates and their purposes, and that as a member of the executive committee he in many instances participated in the acts of the committee in authorizing the purchase of securities in which he was interested as a member of the banking syndicate making the sale.

10. As to the vice president, the committee finds that he habitually involved the society in transactions of great magnitude without the previously obtained authority of the executive committee; that he carries large amounts of stocks belonging to the society in his own name without first having secured the authority of the society; that he used the funds of the society to pay for the "Cambon dinner" (which he subsequently returned); that he conducted and participated in the profits of the syndicates described in his letter of April 27, 1905, having frequently as a member of the executive committee voted for the purchase of such securities, as shown in said letter in detail; that he is indebted to the society to the amount of the profits he has received as shown by his letter; and that he has been guilty of other irregular acts, irregular in the sense that they are not in accordance with the society's law or with sound business practices, treating the society and its affairs largely as if they were his own personal concern.

11. As to the other officers of the society, the committee finds that a general looseness has prevailed in the administration of the society's affairs requiring prompt and thorough rectification, and that there is a general lacking in the organization of that strong moral fibre so essential for the accomplishment of satisfactory results.

12. The committee also finds that the society's methods of doing business are unsystematic and should be corrected; that the cash balances carried by the society are excessive; that the society's alliances with financial institutions are unnecessary and undesirable in the conduct of its legitimate business; that its advances to agents, directly and through financial institutions in which the society is interested, are excessive, and that the society's efforts should be directed to conducting a strictly legitimate life insurance business at the lowest cost to the insured along the general lines heretofore indicated.

After further observations upon the necessity of the exercise of strict economy in management and investments, the committee said:

The extraordinary powers of the principal officers of the society carry with them the highest measure of responsibility. The committee finds that of these the president, vice president and the second vice president have fallen far short of their duty both in acts of commission and omission, and changes in these officers should be made. The loose and irregular methods obtaining in the management are largely due both to the example of the acts and the example of the neglect of these officers. The shortcomings in inferior executive officers are largely due to the methods which the principal officers have encouraged or permitted, and so far as correction of these irregularities calls for further removals of officials, that matter should be dealt with and largely controlled by the judgment of the reorganized management.

The committee then submitted the following supplemental recommendations:

First—That so much of the report as discusses the principles and ethics of life insurance, and the methods of conducting the business of life insurance, be taken under consideration by the president of the society under a new organization, in connection with such other officers of the society and expert advisers as he may choose, and that report be made thereon, with recommendation to the board at as early a day as possible.

Second—The committee also recommends that the board authorize the committee to publish their report.

Third—That the president, vice president and second vice president be requested to forthwith resign their respective offices.

Fourth—The committee also recommends that a committee of seven, consisting of John A. Stewart, D. O. Mills, T. Jefferson Coolidge, A. J. Cassatt, August Belmont, J. B. Forgan and Robert T. Lincoln, be appointed to nominate a president, vice president and second vice president, to report to the board at a meeting to be held on ——, 1905.

After the reading of the report Messrs. Alexander and Hyde both vehemently defended themselves before their fellow directors, claiming that the report of the committee was unfair, unbiased and inadequate. Mr. Tarbell denounced the

conclusions of the report in its references to his own transactions on behalf of the company.

By a vote of 24 to 12 the directors refused to adopt the report of the committee, the members favorable to Messrs. Alexander and Hyde, and constituting a majority, having united to vote it down.

Thereupon Messrs. Frick, Harriman and Bliss resigned from the board.

After considerable discussion the board adopted the following resolutions:

1. That a chairman of the board be created with plenary power over all departments and affairs of the society.
2. That a nominating committee consisting of D. O. Mills, August Belmont, John A. Stewart, J. B. Forgan, A. J. Cassatt, Robert T. Lincoln, T. Jefferson Coolidge, be requested to report at a meeting of the board to be called on Wednesday next a candidate for chairman.
3. That at that meeting of the board the executive committee be reorganized, and that appropriate amendments to the by-laws should be prepared for submission to that meeting for the purpose of carrying out these resolutions.
4. That Mr. James Hazen Hyde be requested, within three months, to divest himself of the control of the stocks of the society on such terms and conditions as shall be satisfactory.

On Monday the resignations of Jacob H. Schiff and T. Jefferson Coolidge from the directorate were announced. Mr. Schiff, in his letter of resignation to President Alexander, said:

In view of the present situation it does not seem likely that there will be an opportunity for independent action in the board, and I have reluctantly come to the conclusion that I can no longer be of service to the society by remaining upon its board of directors, of which I have been a member for twelve years.

Director Melville E. Ingalls resigned on Tuesday. He made the following statement of the results of the investigation by the Frick committee, of which he was a member:

We were asked to investigate the management of the Equitable. We reported, first, that its system of insurance, in our judgment, should be modified and that this should be referred to the new management. We reported that the custom of investment in outside companies and the carrying of large balances for the apparent purpose of aiding these companies, in which the Equitable and its officers are interested, was unwise and should be stopped. We reported that the practice of officers of the Equitable purchasing securities in the market and then selling them to the Equitable through a committee of which they were practically the only members was wrong, and that whether the company made money or lost by the transaction it did not change the ethics of the transaction.

We listened to the accusations of the different officials, we examined the accounts, and we thought that it all showed such a disorganized condition, such extravagance and negligence, that for a company of the magnitude of the Equitable and so connected as it is with the community by its system of insurance there should be a change in management, and we recommended that the directors should ask for the resignations of higher officials and fill their places.

The majority of the directors, after hearing the report and discussing it, evidently felt that our report was irresistible, but to avoid direct condemnation of those officers they voted to allow them to remain, but then proceeded to decide that there should be a new office created, a chairman, who should have control of all the affairs of the company, and these officers, whose resignations we had asked, should be subordinate to this chairman.

Messrs. A. J. Cassatt, D. O. Mills, Joseph T. Low and Marvin Hewitt also resigned from the board on Tuesday.

In the meantime Insurance Superintendent Hendricks continued his examination, and had several of the officers of the company before him.

Governor Higgins peremptorily declined to call a special session of the Legislature to take up Equitable matters, stating that full confidence could be placed in the investigation being made by the Insurance Department.

On Wednesday the adjourned meeting of the directors took place. Twenty-nine members of the board were present. The proposed chairman, with plenary power, was not elected, but a new nominating committee consisting of August Belmont, Louis Fitzgerald and Chauncey M. Depew, of New York; James B. Forgan, of Chicago, and David H. Moffat, of Denver, was appointed to choose a chairman and to report at a meeting of the board on Friday.

The other positive results of the meeting of Wednesday were these:

The reorganization of the executive committee so as to consist only of the president, vice president, controller and four directors, not officers, to be chosen by the board. This eliminates Second Vice President Gage E. Tarbell, Third Vice President George T. Wilson and Fourth Vice President William H. McIntyre.

The prospective reduction of the salaries of the officers to correspond with those paid by other insurance companies.

The prospective reduction of the general expenses of the society.

The prohibition of advances to agents without the sanction of the executive committee.

The reduction of the amounts of deposits carried at banks and trust companies to a working basis and the investment of the balances withdrawn in approved securities.

A rule that all investments made by the executive committee be made subject to the approval of the board.

A meeting of the directors began at 1 o'clock yesterday afternoon, and was in progress when our paper was ready for the press. Its principal business was to take action upon an expected report by the committee appointed to nominate a chairman of the board of directors with plenary powers. There were plenty of rumors rife that the committee could not agree upon the man and that there would have to be another, perhaps several more meetings.

The Frick Committee on the Deferred Dividend Plan of the Equitable Life—It Is Condemned.

In its purity, the ideal life insurance company has but two objects, i. e.:

1. To furnish absolutely perfect protection.
2. To furnish that protection at the lowest possible cost.

The mere size of a life insurance company has no effect on its ability to furnish sound and economical protection to its individual policyholders. It is necessary that a sufficient number of lives be assured to come within the laws of average mortality, and that the volume of business be great enough to cover what might be termed the fixed charges or expenses, and to command the financial position desirable for the advantageous investment of funds.

When these objects have been attained additional volume of business is not only unnecessary, but, if obtained at greater proportionate cost, is directly detrimental to the interest of the policyholder.

Whether resulting from a misconception of the importance of growth in size, from the competition of other companies, or from the human instinct to excel, there has existed a disposition to lose sight of the true purpose of life insurance and devote all energies to attaining bigness.

Growth beyond the normal rate can be had only through unusual exertion, and this means increased cost.

The Equitable, in common with several others of the larger companies, issues the greater portion of its policies on the deferred distribution period plan. Under this system, the excess portion of the premium is not returned to the policyholder annually, but is retained by the society for various stipulated periods of years (usually twenty years) and the accumulations then paid in one sum. The advantage which is held out to the policyholder under this system is that he not only eventually receives all the natural accretions of his own policy, but shares in those which were earned by the policies of those who were unable to continue them to the end of the stipulated term. The question as to the ethics of extending the hope to one policyholder that his prosperity will be increased through the misfortune of another policyholder is purely academic, and need not be discussed here. As each policyholder understood the con-

ditions, and accepted them, with the hope that he would be in the fortunate class, he would seemingly be estopped from complaint if events forced him into the unfortunate class.

But entirely aside from this question as between the individual policyholders, there can be no doubt concerning the at least potentiality of evil which this system of deferred distribution possesses.

When annual dividends are paid, the policyholder has an immediate and yearly recurring check upon the operations of his company. He is enabled and is quite apt to compare his results with those of his acquaintances insured in other companies. Extravagance in management and errors in investments are at once reflected in decreased dividends or impaired surplus.

On the other hand, the holder of a twenty years' distribution period policy has no knowledge whatever concerning the earnings of his policy until the expiration of the twenty years. He cannot make comparisons with the results in other companies, because he does not know the results in his own case. He entertains hopes for nineteen years, and, if dissatisfied with the realization at the end of twenty years, it is futile for him to protest. The incident is closed.

These conditions are mentioned for this purpose—to illustrate the possibility of the deferred distribution policy leading the society into a generally lax method of handling its business.

The annual dividend company is held to accountability every year. The deferred dividend company is never held to accountability by the whole body of its policyholders; and is so held by its individual policyholders only when their opportunity for action has passed.

This absence of accountability makes possible the pursuit of rapidity of growth at undue cost, because the effect of that cost is not felt by the policyholder until, as said before, it is too late for his availing protest.

Another embarrassing outgrowth from the deferred dividend system is the popular misapprehension of the so called "surplus."

The society's published report shows a surplus as at December 31, 1904, of $80,794,269; and popular sentiment demands that this enormous sum be divided among the policyholders. There is even seen a discussion of the ownership of the surplus—as between policyholders and stockholders.

As a matter of fact, the actual surplus of the society on December 31, 1904, was approximately $10,200,000. Of the balance $6,750,000 was apportioned for dividends payable in 1905, and $63,800,000 is merely a reserve against a future contingent liability. That is, it is the amount which has been earned by the total number of deferred dividend policies, and which becomes a direct liability as each individual policy matures.

The soliciting agents of these companies which write almost exclusively deferred dividend policies habitually state that the superiority of that form of policy is demonstrated by the fact that the public invariably selects it in preference to the annual dividend policy.

As bearing on this statement, it is of some interest to know that the Equitable Society allows its agents commissions and expenses of 50 per cent. of the first premium on deferred dividend policies, while it allows them but 25 per cent. on annual dividend policies.

The Northwestern Mutual for many years wrote almost exclusively deferred dividend policies. A few years ago it adopted the system of not requiring the insured to declare the form of distribution desired, when taking out his policy, but of sending him at the end of the second policy year a statement of his dividends, and allowing him to elect at that time whether he would take his dividends annually or at the end of a specified period.

In 1901 the Northwestern wrote 29,223 policies. In 1903 all but 768 of these chose to take annual dividends.

In 1902 the Northwestern wrote 30,350 policies. In 1904 all but 579 chose to take annual dividends.

These facts clearly indicate that on its merits alone the public prefer the annual dividend policy, and the sentiment in favor of the deferred dividend period is artificial.

From all of the foregoing we have the departure from the true principles of life insurance by subordinating economy to rapidity of growth; and the possibility of concealing the effects of this by deferring the payments of dividends.

Following this initial departure, the other weaknesses spoken of in this report come as almost a matter of course. The ambition for bigness naturally extends to the investment of funds. There is chafing under the laws which govern the investments of a life insurance company. Alliances are made with other institutions with the idea of yielding to the society results which are not possible under the operations permitted to insurance companies. Systematic but uninteresting plodding is neglected, while energies are directed toward "coups." The final results of this have not been to endanger the financial integrity of the society, but they have lessened its earning powers and have impaired its independence.

The rush for business has magnified the importance of the agent until we find him assuming a place in the councils of the society never contemplated in its inception, and almost grotesque in its distorted proportions.

The general policy of the society having been diverted from its true course, it is hardly to be wondered at that there is found throughout its official personnel a sort of moral obliqueness—a condition where personal gain seems to be at times the paramount idea. It is this which has led your committee to find that the society's transactions with outside concerns have so systematically been placed that profits fall into the hands of those closely connected with the society's officers, and it is this which has led the officers of the society to say with undoubted sincerity that they saw no wrong in accepting profits from syndicate transactions in which the society played an important part.

Vice President Tarbell Claims a Good Increase in New Paid For Business This Year, Notwithstanding the Equitable's Troubles.

Vice President Gage E. Tarbell, in his June address to the agency force of the Equitable Life Assurance Society, congratulates it upon the fine business it is piling up, in spite of the disturbed condition of affairs in the home office. In the course of his address he says:

In our profession, where every man is the master of his own destiny, the success of some and the failure of other men working under exactly similar conditions in the same locality is always obvious, but in a time like the present, when unfavorable conditions are not local, but general, the truth of our argument is brought home with telling emphasis.

Yet in spite of conditions, in spite of circumstances, the new paid for business of the society in the United States and Canada for this year to date is over $5,000,000 more than it was for the same period of last year.

Could anything reflect the calibre of the agency force of the society in the United States and Canada in a more emphatic manner than that statement? Could anything proclaim more strongly the fact that the field force of the Equitable as a whole is an eminently successful body of men, who can rise superior to circumstances, and accomplish results in the face of anything and everything? We think not.

There are men on our agency force today who are securing more business than they ever did under the most favorable circumstances. There are agencies which have in the past month as well as in the past five months outstripped the best records they ever made in similar periods.

On this 31st of May no less than seventy-five agencies show an increase in paid for business for the first five months of 1905 as compared with the same period of 1904. Eighteen of them show an increase of over 100 per cent.

Fifty agencies show an increase in May as compared with their records of new paid for business for May, 1904, and of these fifteen show an increase of over 100 per cent.

Were we to go into the records made by individual agents in the same way, the paper on which this letter is printed would not be sufficient to hold what we feel we should like to say.

Why have these agents and these agencies (which are merely groups of individual agents) succeeded where others have not? They have risen superior to the conditions which confront them. They have determined to succeed, and never for a moment have they wavered in that determination.

Do not mistake me. I am not trying to minimize the present unfortunate conditions under which you have been working, but I do wish to give you all possible encouragement by showing you that others are succeeding in spite of these conditions, and if you have the true Equitable spirit you will say: "What others have done and are doing I can do and will do," and then you will go and do it.

You gentlemen of the agency force of the Equitable have time and again faced serious conditions which affected the whole country. You have grappled with business depressions, with financial panics, with political upheavals, and you did not give way to them. You rose superior to them, you made up your minds to get business in spite of them and you succeeded, and that is the reason why today the Equitable is the great strong institution that it is. And you will do the same again and succeed just as you have in the past.

At the meeting of the board of directors on Wednesday Vice President Tarbell made the following statement on the condition of the company's business, it being a comparative statement of the first five months of 1904 and 1905:

Total new business issued first five months, 1904 (all agencies, including foreign)	$132,631,721
Total new business issued first five months, 1905 (all agencies, including foreign)	131,894,696
Decrease first five months, 1905	$737,025

BUSINESS PAID FOR.

Total new business paid for in the United States and Canadian agencies, first five months, 1905	$72,925,875
Total new business paid for in the United States and Canadian agencies, first five months, 1904	67,718,680
Increase in net paid for business, 1905	$5,207,195
Total new business paid for in foreign agencies, first four months, 1904	10,067,483
Total new business paid for in foreign agencies, first four months, 1905	7,661,443
Decrease first four months, 1905	$2,406,040

Mr. Tarbell added that the paid for foreign business for the month of May, 1905, could not yet be given. Then he continued:

Of course it must be remembered that a large amount of the business issued during the first five months of this year will yet be paid for. Generally speaking, business is not paid for until one or two months after it is issued, owing to the time that it takes for policies to reach their destination and for the agents to make collections and reports.

The total number of resignations of sub-agents filed since May 1 were fifty. The total number of terminations of sub-agents' contracts filed by general agents since May 1 were 177, making total terminations to the number of 227. The total number of sub-agents' contracts with new agents filed at the home office since May 1 is 242.

From the foregoing it will be seen that the society's business as a whole up to the present time is almost exactly the same as it was last year, that the total new business paid for so far this year in the United States and Canadian agencies is five millions greater than for the same period last year, and throughout the world about three millions greater. It will also be seen that there have been no desertions worthy of note among our agency force, and that the new contracts filed with new men during May exceeded in number the total terminations filed. This shows most clearly that our men are loyal, that they believe in the Equitable, and that they intend to stand by it during its days of trouble and push for new business to the best of their ability; and if the difficulties are speedily met and satisfactorily adjusted the loss in new business that we sustained in May will soon be recouped and applications coming in at a normal rate.

Nothing could be more unwise than for any man insured in the Equitable to surrender his policy on account of the present controversy. The Equitable today is the strongest life insurance company in the world. The society does not wish to profit or increase its surplus by surrender of a single policy, and every policyholder should understand that in surrendering his policy he does so at a loss to himself.

MAY, 1904, AND MAY, 1905.

Mr. Tarbell then gave the following comparison of business issued during the months of May, 1904, and May, 1905:

New business issued during May, 1904	$25,320,064
New business issued during May, 1905	17,218,640
Decrease in May, 1905	$8,101,424

The comparison of business paid for in United States and Canadian agencies during the months of May, 1904, and May, 1905, showed:

New business paid for May, 1905	$13,583,235
New business paid for May, 1904	13,086,180
Increase in May, 1905	$497,055

In regard to the increase in outstanding insurance during the first quarter this year, Mr. Tarbell said:

The president's statement read at your recent directors' meeting showed that the net increase in the society's outstanding insurance throughout the world for the first quarter of 1905 was $36,485,925, as compared with $27,350,000 for the first quarter of 1904, showing a net increase in outstanding insurance during the first three months of this year over the same period of last year of $9,135,925.

He then presented these figures on the total terminations of all kinds for the first four months of 1905, as compared with the same period of 1904:

	1905.	1904.
January	$15,001,151	$14,590,161
February	16,105,296	18,288,625
March	23,743,103	19,491,170
April	19,578,573	18,115,272
Total	$74,428,123	$70,485,228

Increased terminations first four months 1905, $3,942,895.

He continued:

In considering the increased terminations during 1905, as compared with 1904, it should be remembered that the total outstanding insurance of the society during the first four months of this year was nearly one hundred millions greater than during the same period last year. This would naturally make the terminations this year materially larger than for the same period last year. It is impossible as yet to give the total terminations for May, 1905, as compared with the total terminations for May, 1904, as they have not yet been made up. It is probable, however, that the terminations for May, 1905, will be at least two or three millions greater than for May, 1904.

Saved by the Scissors.

FIDELIS.

Fidelis.

This is the Latin word for faithfulness.

When you come to give the matter your attention you will be surprised to find that most people are faithful.

That is, they are true to their engagements, prompt to meet them and steady in their prosecution.

If they were not, society would be thrown into such a constant disorder that it would be impossible to transact any business.

There is a tendency to pessimistic fault finding with present conditions, and a never ending reference to "the good old days of the fathers."

But the fact of the matter is that the very, very large proportion of all toilers on land and sea begin the day's toil at the hour appointed and execute the day's work with alacrity and ability.

The time recorder registers the almost unvarying regularity of the hundreds of thousands of young men and women who earn their daily bread by working for others. Unfaithfulness is the exception, not the rule.

Trains come and go on time. Factory whistles call to work on the dot. The mighty army of wage earners are at their desks, benches and posts as agreed. Steamships start, engines pull out, tools are taken up, writing machines begin to click and hands grasp the pen, as per every engagement.

It is really quite astonishing how exact the pendulum of labor's great clock work swings to and fro, marking true time on the world's great dial. This is as it should be, else as we have said society would divide and settle into confusion and disorder, terminating in speed disintegration.

Take note of this, oh! bilious friend, and do not allow your indigo blue dyspepsia to get the better of you. Clear the cobwebs from your clouded brain and see things as they are. You will feel better, look better and do better work yourself. Do not constantly use your microscopic littleness to discover the fly specks on the surface.

The greatest temptation to unfaithfulness comes to people who command their own time. This is a danger to which the life insurance agent is especially exposed. No whistle or bell, no time recorder or boss calls him to exact hours. It does not matter so much if he is not started at 8 or 9 a. m. to go to his work. But it does matter. It is better to have regular hours of work, and regular work to do if one wishes to regularly reap a harvest.

The machine has no responsiblity. It goes as it is made to go. But the man who is master of his own time must look well to his goings, or he will fail. He is likely to say to himself, nobody will know whether I begin to work at

(*Continued on page* 559.)

Fire Insurance Business in Kansas in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$6,278,315	$82,612	$36,433
Agricultural, Watertown	742,400	9,804	7,418
American, Newark	5,257,405	61,935	30,182
American Central, St. Louis	3,994,865	54,374	28,344
American Fire, Philadelphia	981,287	10,969	8,912
Anchor Fire, Ohio	240,802	3,954	2,681
Austin Fire, Texas	181,690	2,786	35
British America, Toronto	641,802	9,573	3,414
Citizens, St. Louis	1,012,504	14,431	15,703
Columbia Fire, Lincoln	2,668,231	32,292	6,891
Commercial Union, London	3,812,268	57,614	52,148
Concordia, Milwaukee	1,720,186	19,637	8,670
Connecticut Fire, Hartford	5,956,100	80,047	38,537
Continental, New York	20,498,897	191,264	114,229
Delaware, Philadelphia	827,225	10,816	10,738
Equitable F. and M., Providence	72,904	1,181	.....
Fire Association, Philadelphia	2,234,895	35,008	37,277
Fireman's Fund, San Francisco	2,407,334	31,996	10,987
Firemen's, Newark	957,340	8,142	117
Franklin Fire, Philadelphia	462,771	5,979	4,154
German, Freeport	13,014,651	145,771	71,498
German, Indianapolis	1,926,206	24,177	11,503
German Alliance, New York	916,000	11,776	4,806
German American, New York	5,513,223	73,243	51,792
German National, Chicago	1,212,075	15,989	10,771
Germania, New York	2,713,923	35,326	28,264
Girard F. and M., Philadelphia	331,109	4,402	1,600
Glens Falls, Glens Falls	2,183,180	18,535	10,571
Hamburg-Bremen, Hamburg	922,149	13,683	3,862
Hanover Fire, New York	1,941,937	28,835	13,862
Hartford Fire, Hartford	21,704,938	210,468	58,718
Home, New York	16,957,801	173,165	90,163
Home F. and M., San Francisco	304,175	4,346	742
Indemnity Fire, New York	228,100	3,192	254
Indianapolis Fire, Indianapolis	86,526	1,624	2,197
Insurance Co. of North America	3,496,311	49,353	53,756
James River, Richmond	.....	49	.....
Liv. and Lon. and Globe, Liverpool	5,529,321	68,203	21,510
Liv. and Lon. and Globe, New York	213,107	2,893	5,259
London and Lancashire, Liverpool	1,209,379	18,404	18,432
London Assurance Corporation	840,722	11,120	4,603
Mercantile Fire and Marine, Boston	453,372	6,092	1,594
Milwaukee Mechanics, Milwaukee	1,550,025	21,380	20,935
National, Dublin	8,500	176	.....
National Fire, Hartford	5,224,524	69,956	61,798
National Union, Philadelphia	.....	7,217	.....
New Brunswick F., New Brunswick	48,750	668	1,221
New Hampshire Fire, Manchester	1,869,547	21,283	12,449
New York Fire, New York	109,450	1,547	2,070
Niagara Fire, New York	3,176,589	42,945	28,776
N. British and Mercantile, London	3,229,792	42,206	27,863
Northern, London	1,325,625	20,743	10,464
Northwestern National, Milwaukee	3,708,215	34,168	20,250
Norwich Union, Norwich	1,114,462	15,729	3,237
Orient, Hartford	860,568	12,078	9,065
Palatine, London	1,191,810	19,919	13,777
Pelican, New York	130,275	1,706	2,578
Pennsylvania Fire, Philadelphia	2,419,000	35,318	32,053
Phenix, Brooklyn	7,674,435	107,194	59,391
Phœnix, Hartford	3,560,222	38,177	19,775
Phœnix, London	866,872	11,764	11,355
Providence Washington, Providence	1,543,579	16,191	11,975
Prussian National, Stettin	1,021,820	8,326	6,326
Queen, New York	2,632,145	38,039	16,212
Reliance, Philadelphia	914,315	9,840	8,502
Royal, Liverpool	2,847,542	34,735	28,367
St. Paul Fire and Marine, St. Paul	7,659,764	89,800	53,080
Security, New Haven	2,555,010	23,626	11,340
Shawnee Fire, Topeka	17,060,354	269,519	155,733
Springfield F. and M., Springfield	6,940,881	100,178	58,772
Spring Garden, Philadelphia	1,055,426	16,283	13,104
Toledo F. and M., Toledo	10,500	190	.....
Sun, London	1,439,353	19,816	9,920
Traders, Chicago	1,072,469	14,139	7,454
United Firemen's, Philadelphia	251,966	3,912	3,501
Westchester Fire, New York	1,419,748	18,592	20,213
Western, Toronto	906,603	14,752	16,223
Williamsburgh City Fire, New York	992,645	11,964	8,267
Totals, 1904	$231,040,207	$2,831,919	$1,650,673
Comparison with Business of Previous Years.			
1903	$259,500,711	$2,406,885	$1,087,262
1902	204,292,886	2,364,039	1,329,077
1901	202,786,573	2,197,732	1,226,150
1900	186,566,862	2,006,361	1,241,776
1899	183,444,721	1,945,797	1,170,751
1898	147,481,944	1,771,862	762,197
1897	137,181,801	1,745,984	631,335
1896	128,026,786	1,712,336	958,629
1895	128,902,971	1,744,693	1,171,673
1894	140,109,801	1,961,454	1,070,572
1893	138,041,771	1,929,936	943,576
1892	142,146,123	2,028,185	1,011,487
1891	131,054,976	1,771,788	763,669
1880 to 1890	1,115,360,953	16,662,386	7,855,186

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 50.7. The percentage in 1904 was 58.1.

Fire Insurance Business in Iowa in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle.	$947,839	$14,776	$9,674
Ætna, Hartford	6,694,752	92,569	26,431
Agricultural, Watertown	1,355,600	18,869	3,936
Allemannia Fire, Pittsburgh	1,485,312	27,342	21,935
American, Boston	315,584	4,669	2,949
American, Newark	5,786,096	80,295	40,514
American Central, St. Louis	1,433,855	19,913	5,739
American Fire, Philadelphia	4,240,493	49,661	24,149
Anchor Fire, Dayton	250,025	1,780	1,838
Anchor Fire, Iowa	5,077,456	155,686	42,362
Assurance Co. of America, N. Y.	300,000	3,992	3,441
Atlas, London	691,005	10,062	3,002
British America, Toronto	1,567,105	25,476	8,912
British American, New York	504,639	7,907	4,178
Capital, Des Moines	8,662,159	185,164	59,702
Century Fire, Des Moines	3,387,737	116,529	27,051
Citizens, St. Louis	1,121,023	17,898	8,028
Columbia Fire, Lincoln	495,716	6,186	2,285
Commercial Union, London	1,981,890	28,919	19,532
Concordia, Milwaukee	3,441,434	52,357	19,345
Connecticut Fire, Hartford	3,255,300	55,585	22,940
Continental, New York	15,692,879	181,210	88,579
Delaware, Philadelphia	1,171,087	17,901	10,197
Des Moines Fire, Des Moines	14,470,184	357,285	124,717
Detroit Fire and Marine, Detroit	494,525	6,188	2,512
Dubuque F. and M., Dubuque	4,710,122	66,102	25,606
Equitable F. and M., Providence	596,936	7,754	1,119
Farmers, Cedar Rapids	15,165,562	322,168	128,450
Farmers Fire, York, Pa.	1,429,389	22,552	6,724
Federal, Jersey City	240,315	3,844	.....
Fidelity Fire, Des Moines	2,611,832	53,856	28,571
Fire Association, Philadelphia	3,144,127	51,502	31,974
Fireman's Fund, San Francisco	2,135,954	25,598	24,105
Firemen's, Newark	1,374,430	17,131	10,351
Franklin Fire, Philadelphia	953,290	12,849	8,477
German, Freeport	23,091,259	280,728	97,076
German, Peoria	1,307,747	25,987	7,745
German, Pittsburgh	378,836	5,851	662
German Alliance, New York	1,212,090	18,151	4,605
German American, New York	6,555,346	83,439	36,997
German National, Chicago	1,879,824	29,325	8,004
Germania Fire, New York	3,579,881	51,095	20,749
Girard Fire and Marine, Philadelphia.	827,170	11,000	4,988
Glens Falls, Glens Falls	2,685,991	27,278	4,563
Hamburg-Bremen, Hamburg	988,822	16,666	13,279
Hanover Fire, New York	3,207,774	44,963	16,064
Hartford Fire, Hartford	12,838,274	183,901	67,987
Hawkeye, Des Moines	17,127,483	365,280	114,327
Home, New York	13,917,434	145,351	54,232
Home F. and M., San Francisco	358,237	5,322	1,505
Indianapolis Fire, Indianapolis	76,765	1,583	1,556
Insurance Co. of North America	5,015,057	72,631	32,483
Insurance Co. of State of Illinois	160,308	2,397	.....
Iowa Home, Des Moines	2,112,113	30,576	4,890
Law Union and Crown, London	123,050	2,742	4,884
Liv. and Lon. and Globe, Liverpool	4,270,542	58,259	21,459
Liv. and Lon. and Globe, New York.	216,204	3,256	5,479
London and Lancashire, Liverpool	1,158,906	15,739	3,081
London Assurance Corporation	1,475,692	22,734	12,580
Lumbermen's, Philadelphia	675,100	10,121	7,011
Mechanics, Philadelphia	1,113,393	11,453	6,394
Mercantile Fire and Marine, Boston.	301,696	4,727	4,024
Merchants and Bankers, Des Moines.	2,858,399	82,788	20,627
Michigan Fire and Marine, Detroit.	256,935	3,885	2,486
Milwaukee Fire, Milwaukee	822,602	11,308	4,011
Milwaukee Mechanics, Milwaukee	4,403,155	73,228	27,923
National Assurance, Hartford	14,250	230	85
National Fire, Hartford	6,082,872	86,985	28,445
National Union, Philadelphia	1,100,502	13,960	4,159
New Brunswick, New Brunswick	53,500	648	.....
Newark Fire, Newark	403,959	5,397	4,025
New Hampshire Fire, Manchester	2,245,467	28,441	5,865
New York Fire, New York	190,803	2,757	1,210
Niagara Fire, New York	1,801,329	27,555	16,529
North British and Mercantile, London.	5,108,849	63,606	27,707
Northern, London	2,141,271	34,064	17,485
Northwestern National, Milwaukee	8,093,578	88,627	25,982
Norwich Union, Norwich	1,605,163	26,557	18,313
Orient, Hartford	1,102,522	15,135	7,369
Palatine, London	729,450	11,652	6,299
Pelican, New York	221,245	3,389	151
Pennsylvania Fire, Philadelphia	2,424,000	36,071	15,138
Phenix, Brooklyn	5,759,888	85,096	30,696
Phœnix, Hartford	5,022,530	62,264	27,165
Phœnix, London	1,221,502	18,826	8,507
Providence Washington, Providence	1,524,107	18,498	13,410
Prussian National, Stettin	1,549,406	14,512	5,346
Queen, New York	2,808,938	40,735	21,737
Reliance, Philadelphia	1,159,507	15,344	9,832
Rochester German, Rochester	1,460,559	23,719	7,174
Royal, Liverpool	3,987,227	41,049	20,550
St. Paul Fire and Marine, St. Paul	4,608,820	67,166	32,818
Scottish Union and Nat., Edinburgh	1,119,720	17,634	9,954
Security, Hartford	2,424,022	26,583	13,371
Security, Des Moines	4,423,212	74,110	16,693
Springfield F. and M., Springfield	5,464,660	70,655	22,399
Spring Garden, Philadelphia	1,289,098	21,191	8,117
State, Des Moines	7,121,323	185,252	73,128
State, London	96,931	1,662	4,890
Sun, London	1,982,503	28,614	7,316
Svea, Gothenburg	502,557	8,588	3,068
Toledo Fire and Marine, Toledo, O.	71,300	2,326	2,500

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Traders, Chicago	$1,747,178	$24,219	$14,993
Union, Philadelphia	448,600	5,073	3,281
Union, London	508,689	8,618	25,243
Westchester Fire, New York	2,412,902	36,229	22,092
Western, Toronto	2,652,039	33,960	10,541
Williamsburgh City Fire, New York	844,985	12,163	6,274
Totals, 1904	$326,682,973	$5,212,449	$2,059,953
Comparison with Business of Previous Years.			
1903	$312,935,801	$4,840,390	$2,293,009
1902	308,454,555	4,616,688	2,172,915
1901	289,988,535	4,231,526	2,348,046
1900	280,682,253	4,098,490	1,818,600
1899	280,071,272	4,180,790	1,965,221
1898	242,591,231	3,584,937	1,484,080
1897	245,574,905	4,190,681	1,555,252
1896	231,230,598	4,163,479	1,766,280
1895	230,877,520	4,276,884	1,788,722
1894	240,502,602	4,382,011	2,399,440
1893	241,834,384	3,818,708	2,118,857
1892	242,137,418	3,703,513	1,575,681
1891	220,870,002	3,404,762	1,634,563
1880 to 1890	2,105,582,862	31,157,970	12,940,956

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 44.4. The percentage in 1904 was 39.5.

Fire Insurance Business in Kentucky in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$708,725	$10,835	$5,328
Ætna, Hartford	5,794,307	97,452	42,221
Agricultural, Watertown	2,245,100	20,169	9,007
American, Boston	674,821	7,636	5,894
American Central, St. Louis	1,608,567	29,100	21,184
American Fire, Philadelphia	1,790,978	23,268	14,082
Anchor Fire, Cincinnati	650,118	19,126	12,037
Armenia, Philadelphia	109,187	2,041	.....
Assurance Co. of Am., New York	1,089,706	10,666	1,027
Atlanta Birmingham, Atlanta	1,164,471	18,187	2,360
Atlas, London	1,966,932	27,595	13,335
British America, Toronto	807,644	11,456	6,985
British American, New York	233,743	3,244	907
Buffalo Commercial, Buffalo	501,020	6,627	1,231
Buffalo German, Buffalo	1,781,926	19,703	6,157
Caledonian, Edinburgh	567,595	7,864	158
Citizens, St. Louis	2,907,156	52,393	39,635
Commerce, Albany	383,075	4,706	2,218
Commercial Union, London	3,339,963	49,295	23,391
Commercial Union, New York	505,887	4,412	1,194
Commonwealth, New York	810,250	6,230	267
Connecticut Fire, Hartford	4,648,900	75,943	27,335
Continental, New York	19,255,872	204,952	89,554
Delaware, Philadelphia	572,924	6,857	2,735
Detroit Fire and Marine, Detroit	387,390	4,107	5,477
Equitable F. and M., Providence	684,130	8,228	3,528
Federal, Jersey City	1,181,347	14,180	908
Fire Association of Philadelphia	3,796,361	65,111	28,436
Fire Ins. Co. of Co. of Phila	30,585	202	781
Fireman's Fund, San Francisco	2,789,527	40,457	15,103
Franklin Fire, Philadelphia	435,198	7,936	5,190
Georgia Home, Atlanta	1,566,687	36,574	14,716
German, Freeport	2,453,790	32,644	12,288
German, Louisville	1,111,459	15,266	2,410
German Alliance, New York	312,939	4,705	1,077
German American, New York	4,457,422	66,107	27,260
German Security, Louisville	778,701	12,390	4,706
Germania Fire, New York	2,781,319	44,285	14,785
Glens Falls, Glens Falls	2,312,175	32,569	14,730
Globe and Rutgers Fire, New York	4,080,941	55,356	16,468
Hamburg Bremen, Hamburg	2,835,176	54,155	24,108
Hanover Fire, New York	1,695,321	30,978	12,227
Hartford Fire, Hartford	19,831,895	352,427	135,626
Home, New York	35,868,670	287,529	149,864
Home F. and M., San Francisco	1,078,562	18,095	7,525
Indemnity Fire, New York	323,525	5,036	1,734
Indianapolis Fire, Indianapolis	143,527	2,989	2,170
Ins. Co. of N. America, Philadelphia	5,446,533	89,304	36,781
James River, Richmond	.....	38	.....
Law Union and Crown, London	248,136	2,988	873
Liv., Lon. and Globe, Liverpool	6,204,724	107,615	45,964
London and Lancashire, Liverpool	3,407,933	51,279	29,990
London Assurance Corp., London	1,224,954	18,437	11,283
Louisville Fire, Louisville	9,669,971	122,156	105,592
Mercantile Fire and Marine, Boston	299,788	5,071	2,143
Michigan Fire and Marine, Detroit	318,384	6,077	7,582
Milwaukee Mechanics, Milwaukee	2,088,281	33,818	12,071
National, Dublin	2,629	75	.....
National Fire, Hartford	4,127,110	53,611	30,221
National Union, Philadelphia	1,360,908	18,699	14,472
New Brunswick, New Brunswick	178,200	1,308	.....
New Hampshire Fire, Manchester	1,730,707	19,009	11,883
New York Fire, New York	596,395	6,007	2,390
Niagara Fire, New York	1,582,528	28,357	11,639
North British and Mercantile, Lon	$5,456,754	$90,080	$44,570
North British and Mercantile, N. Y.	415,937	4,771	173
Northern, London	3,468,919	47,436	15,833
Northwestern National, Milwaukee	2,129,308	23,407	9,735
Norwich Union, Norwich	1,860,919	29,660	15,811
Orient, Hartford	1,982,502	19,231	15,015
Palatine, London	1,385,818	19,462	3,542
Pelican, New York	595,183	8,359	4,244
Pennsylvania Fire, Philadelphia	2,534,000	41,202	31,254
Phenix, Brooklyn	5,714,308	99,438	46,989
Phœnix, Hartford	4,903,258	64,424	29,387
Phœnix, London	2,533,143	41,667	24,192
Providence Washington, Providence	1,571,805	17,477	8,450
Prussian National, Stettin	1,678,072	14,006	8,479
Queen, New York	4,929,187	79,797	23,310
Reliance, Philadelphia	853,423	8,919	1,223
Rochester German, Rochester	383,759	10,506	3,193
Royal, Liverpool	8,845,741	127,412	56,006
Royal Exchange, London	6,755,170	63,149	16,199
St. Paul Fire and Marine, St. Paul	2,402,614	32,182	15,178
Scottish Union and N., Edinburgh	2,762,499	45,792	21,836
Security, Dayton	362,750	5,067	147
Springfield F. and M., Springfield	3,365,115	54,391	32,227
State Fire, London	232,781	2,760	85
Toledo Fire and Marine, Ohio	138,600	4,027	92
Traders, Chicago	1,574,379	23,139	10,818
Union, Philadelphia	480,225	5,335	5,500
Union, London	1,135,181	11,431	529
United Firemen's, Philadelphia	435,418	8,558	4,404
United States Fire, New York	1,340,218	14,678	6,730
Westchester Fire, New York	1,660,383	24,400	4,308
Western, Toronto	1,941,166	24,783	13,156
Williamsburgh City Fire, New York	703,113	7,821	738
Totals, 1904	$263,058,031	$3,580,112	$1,635,137
Comparison With Business of Previous Years.			
1903	$227,625,104	$3,301,301	$1,746,229
1902	226,681,069	3,310,157	1,617,781
1901	219,938,039	2,922,747	1,760,286
1900	215,665,023	2,892,549	1,642,205
1899	201,126,899	2,755,045	1,786,774
1898	184,305,328	2,608,084	1,712,571
1897	194,964,327	2,675,655	1,166,296
1896	183,728,026	2,513,832	1,898,293
1895	173,335,719	2,657,712	1,534,936
1894	187,397,797	2,605,341	1,434,732
1893	206,910,552	2,764,246	2,340,787
1892	229,726,283	3,001,735	1,804,721
1891	201,890,152	2,455,307	1,806,510
1880 to 1890	1,637,617,984	20,425,056	12,581,957

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 60.3. The percentage in 1904 was 45.9.

(*Continued from page* 557.)

9 a. m., or when I quit. So having to account to nobody but himself he is not of much account unless he is a very enthusiastic, prompt and conscientious man.

To have liberty is to have great opportunity. Few men care to be slaves. But he ennobles his existence who enslaves himself to himself and works as well with a loose rein as a taut one. Get right out of that office and go to work, or the office will soon be vacant by order of the superintendent of all workers.

Know thou, lazy and indifferent one, that the great army of toilers are now keeping step to the music of hard work in every office, shop and store, on every railroad track and farm and you had better be up and doing or you will be out at the end. Out of place and out of food will you be.

Quick, sharp and regular beats the hammer on the anvil since Adam. It is better, for it keeps us out of no end of mischief, that we should earn our bread by the sweat of our brow. There is much inspiration in genius, but there is more perspiration. Few men can inspire, but all can perspire, if they will work hard enough.

Most of the talk and writing about genius and a good chance is nonsense and folly. Genius is a synonym for hard, patient, faithful work and that is all that it is. Of course some men's hard work places them in conspicuous positions. But that is circumstance more than luck. A thousand men can stand around the base of a mountain, but there is not room enough for more than one or two on the peak.

You have opportunity to be faithful, and should avail yourself thereof, and know that you belong to the great army of immortals whose faithfulness will sooner or later be rewarded. Kick not out of the traces because you do not like the driver or because the leather rubs your sides in spots. Soon you will be a driver if only you know how by faithfulness in a few small things to learn to be ruler in many things.—*The Security Agent.*

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

1846—1905.

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353,488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**

DANIEL H. WELLS, Actuary.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.

6,561 per day in number of Policies issued.

$1,426,700.50 per day in New Insurance Written.

$114,060.67 per day in Payments to Policyholders and addition to Reserve.

$73,326.81 per day in increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.	
United States, City and R. R. Bonds and Stocks,	$64,270,818.12
Bonds and Mortgages,	33,094,145.00
Real Estate,	16,806,932.86
Cash,	7,323,372.74
Loans to Policyholders,	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.	
Reinsurance Fund and Special Reserves,	$112,351,323.00
All other Liabilities,	907,772.25
Capital and Surplus,	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security, ... $277,290,466.48

Number of Policies in Force, . . . 8,029,906

Amount of Outstanding Insurance, . . $1,470,424,281.00

Amount of Insurance Issued in 1904, . . $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.	
1884—$2,915,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00	—1884
1894—18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00	—1894
1904—55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00	—1904

In its Ordinary Department policies are issued for from $1,000 to $1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905,	$5,546,127.97
Cash Capital,	200,000.00
Liabilities, including reinsurance,	3,617,361.34
NET SURPLUS,	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Sec.

National Life Insurance Co.

OF VERMONT.

Established in 1850. Operating in 42 States.

JOSEPH A. DE BOER, President. H. M. CUTLER, Treasurer.
JAMES T. PHELPS, Vice-President. A. B. BISBEE, Medical Director.
JAMES B. ESTEE, 2d Vice-President. C. E. MOULTON, Actuary.
OSMAN D. CLARK, Secretary. F. A. HOWLAND, Counsel.

This Company held January 1, 1905, and gained during the past decade:

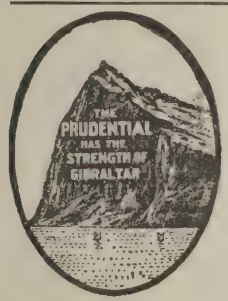
ASSETS	$31,398,453.67.	Gain, 184 Per Cent.
SURPLUS	3,458,075.90.	Gain, 142 Per Cent.
INSURANCE	134,761,554.00.	Gain, 107 Per Cent.

Sells the Best and Most Modern in Life, Term, Endowment and Annuity Insurance.

J. F. MAKLEY, General Manager, 149 Broadway, New York City.
A. H. GESLLER, Manager, 201-203 Lawyers Building, Newark, N. J.

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J. JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men. The Grand Prize was awarded the Prudential at the St. Louis Exposition.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

PHENIX INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE:

68 WILLIAM STREET.

SUN

Insurance Office of London

FOUNDED 1710.

United States Branch: 54 Pine St., New York.

Western Department: 171 La Salle St., Chicago.
Pacific Department: 215 Sansome St., San Francisco.

AGENTS WANTED

BY

The Manhattan Life

OF NEW YORK

Exclusive Territory
Liberal Contracts

STRENGTH
SECURITY
SOLIDITY

WHAT is the use of saying
"The best company,"
or "The strongest company,"
or "The largest company"?
They all say these things.

WE SIMPLY SAY . . .

THE PENN MUTUAL LIFE Insurance Company

OF PHILADELPHIA.

Organized 1847.

THAT TELLS THE WHOLE STORY.

1825. THE 1905.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904 ..... $11,290,773.87

LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary.

Up to date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at Age Eighty automatically.

$27,807,910 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

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In UNION MUTUAL policies. Modern contracts, convincingly arranged, with insurance guarantee, rights and values completely set forth before mention of premium rate. Lengthy explanations unnecessary—every feature plain and simple. Easy to understand; quick to sell.

UNION MUTUAL LIFE INSURANCE CO.

Portland, Maine.

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Always a place for active agents who hold business written.

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QUEEN

Ins. Co. of America.

NEW YORK.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

The Mutual Benefit

LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905,	$93,237,790.27
LIABILITIES,	85,918,227.30
SURPLUS,	7,319,562.97

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Always a Good Opportunity for a Good Man

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The Mutual Life

INSURANCE COMPANY OF NEW YORK.

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You are invited to apply for information upon this subject to

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One Million Dollars Surplus to Policyholders

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141 Broadway, New York

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as well as in large ones

BEST ACCIDENT and HEALTH **INSURANCE** IN THE WORLD

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THE Fidelity and Casualty Company,

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Assets, $6,791,185.19. Net Surplus, $1,686,230.47.
Losses Paid to December 31, 1904, $19,655,793.02.

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wishing to secure a first-class contract with a continuous renewal interest should communicate with

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New policy forms with special features very attractive to prospective insurers.

FOR FULL PARTICULARS ADDRESS

A. B. HOWE, Assistant General Manager.

1851 Phoenix Mutual Life Insurance Company 1904

OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance. The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.

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THE AMERICAN FIRE INSURANCE COMPANY,

OFFICE COMPANY'S BUILDING, 308 and 310 Walnut St., Philadelphia.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance and all other claims	2,116,118.40
Surplus over all Liabilities	222,677.40

TOTAL ASSETS, JANUARY 1, 1905, $2,838,795.80.

JOHN H. PACKARD, JR., President.
WAITE BLIVEN, Secretary.
WM. F. WILLIAMS, Treas. and Asst. Sec'y.
EDWARD MANEUVRE, Asst. Sec'y.
LOUIS S. AMONSON, Secretary of the Agency Department.

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Edward F. Beale. — Thomas K. Ober, Jr.
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INCORPORATED 1851.

The Berkshire Life Insurance Company,

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

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J. M. LEE, Actuary. — THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Secy.

Agencies in all the principal cities of the United States.

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INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

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FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.

Head Office for the United States, 47 Cedar St., N. Y.

A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
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The 1905 Volume of the

RECORD OF

Fire Insurance by States

IS NOW READY FOR DELIVERY

A record of the business done by each Fire Insurance Company in each State and Territory for 24 years and for 1904—25 years in all.

WHAT SUBSCRIBERS SAY:

"We long ago realized the good of these classified records, but have never purchased same on account of the expense. However, we do believe it will be a good idea for us to have the book on hand, so have concluded to have you forward us a copy, realizing as we do that there is a wonderful amount of information contained therein, and that we will undoubtedly get the benefit of our money before the year draws to a close."—*McNear & Wayman, General Agents, San Francisco, Cal., March 23, 1905.*

"It is needless to say that we find the publication useful."—*Herbert Folger, General Agent, San Francisco, Cal., May 10, 1904.*

"We consider this book one of the most valuable, if not the most valuable reference rate book that comes to this office."—*Bernard Faymonville, Vice President Fireman's Fund Insurance Company, San Francisco, Cal., March 30, 1903.*

"Yours is the only real correct record of the kind I have seen."—*H. F. Cornell, General Agent, Detroit, Mich., March 18, 1902.*

"We find these figures are of great value."—*Clarence F. Low, Resident Secretary Liverpool and London and Globe Insurance Company, New Orleans, La., March 22, 1902.*

"I quite appreciate the value of your publication, 'Fire Insurance by States,' having been a subscriber for same very nearly if not quite ever since you issued it, at all events since 1888, since when I have a complete set at my elbow for handy reference."—*William J. Dutton, President Fireman's Fund Insurance Company, San Francisco, Cal., May 10, 1904.*

"We find this book very useful indeed, and have had it on our files for many years."—*George H. Tyson, General Agent, San Francisco, Cal., March 25, 1902.*

"The record of 'Fire Insurance by States' is a most excellent piece of statistical work."—*Pacific Coast Department Pennsylvania Fire Insurance Company, San Francisco, Cal., March 25, 1902.*

"It is the book of all others most desired by the writer."—*J. R. Cravens, General Agent, Dallas, Tex., June 7, 1901.*

"I find the book very interesting and useful."—*John W. Gordon, General Agent, Richmond, Va., May 11, 1904.*

"The 'Record of Fire Insurance by States' is a very valuable publication."—*Thomas Egleston, General Agent, Atlanta, Ga., May 6, 1904.*

PRICE $15.00

THE WEEKLY UNDERWRITER

58 William St., New York City

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, JUNE 17, 1905. No. 24.

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THE retirement of the oldest officer of an American life insurance company—measured by years of service—is an event that calls for more than a passing notice, particularly when that veteran is Vice President Jacob L. Halsey, of the Manhattan Life insurance company. Mr. Halsey began to be a life insurance man when he was eighteen years old, and that was nearly sixty years ago. His advent was coeval with that of the Mutual Life and the New York Life, and his activities have covered all the years of modern life insurance in this country. Among the workers who have built up this mighty institution none have been more diligent and more faithful than Mr. Halsey, and he can truly look back upon a well spent life in the service of his fellow men. The affectionate regard of friends, the respect of a whole community, will accompany this fine old gentleman into his retirement with the wish that the years of rest may be many and happy ones.

THE surprising changes which occurred in the affairs of the Equitable Life after we went to press last week are narrated in today's issue, together with the "accompanying documents." The very latest of the latter, the address of the trustees—into whose hands the control of the majority of the stock has been placed by the new owner—to the policyholders, presents the most reassuring feature in the situation since the disturbances began. The process of mutualization is in the hands of three strong, honest men, who are pledged to see it through, and all the policyholders of one year's standing and more are privileged to send their nominations for directors by mail to the trustees, and they will become effective. No more proxy voting through agents and general agents controlled by home officers. If the report of Superintendent Hendricks, expected next week, practically approves of the new arrangement, the promise may be ventured that a rest for the weary is within reasonable distance.

THE bombshell dropped in the Royal Arcanum camp by the announced increase of rates on October 1 has already started copious talk of a "secession" movement, and the dear dailies, in their disinterested search for sweetness and light, are bristling with scare heads, "picters" and the "indignant" mouthings of people who ought to know better. These elderly Arcanumites might as well get indignant at the multiplication table. They bought their insurance, when young, at the bargain counter, and now put up a kick because called upon to "make good" for a risk with constantly increasing "exposures," to borrow a word from the fire underwriters' vocabulary. Those who have "made their pile" in their working years obtained term protection—now no longer needed—below cost, and have no business to complain; those who face old age without a competency are to be commiserated upon not having bought straight insurance goods in their youth, and paid the price for the permanent "old line" article, whose value increases and cost decreases with the run of years. The turmoil has been somewhat quelled by a plan formulated by Edwin Shivell, chairman of an investigating committee appointed by the Melrose, Mass., Council, by which the younger members are to help out such of the older as are not able to pay the increased assessments. That plan, if put into effect, would certainly prove the fraternal spirit of the order, but even then it would only emphasize the faultiness of its plan of "insurance."

THE announcement is made that the fire insurance companies will meet a delegation from the National Association of Local Fire Insurance Agents on June 28 in New York "to discuss questions which have arisen in connection with attempted overhead writing, especially by non-resident brokers who endeavor to place the whole or a part of a line at cut rates." The notice of the forthcoming meeting has been sent us by one of the companies concerned, and obviously care has been taken in the phraseology of the notice to have it understood that the companies are committed to nothing in advance, and that the agents' committee "will merely ask the company managers to listen to its statement of the agents' case." In other words, the only purpose of the meeting which the companies will avow is "to talk it over." The caution displayed by the companies is no doubt their answer to the truculence—to use no stronger word—of some of the participants in the last national convention of the agents. There is no disposition to accept the "big stick." The opinion expressed by a distinguished ex-president of the association in a recent address that it is more becoming to request than to demand assent from the companies is both correct and opportune. We believe that the companies are willing to meet the wishes of their agents in all matters in which the latter feel that their interests are seriously affected, and that the conference will have none but satisfactory results to all concerned if the amenities are observed.

THE complaint of Chancellor MacCracken of New York University, that the presidents of the fourteen leading universities of the United States receive less salary in the aggregate than "the salary and perquisites of a single fortunate president of a life insurance company," is a reflection rather on the supporters of the universities than on the "fortunate" insurance officials, as, we suppose, the chancellor intended it to be. Surely the president of Harvard or of Yale should receive at least

as much compensation for the vast responsibilities which he assumes so successfully as the third or fourth vice president, let us say, of a life insurance company. Great ability is required to conduct a vice presidential office of an insurance company, no doubt, but greater ability is called for in the head of an American university such as those that have been named. It is a curious illustration of the relative estimated value of a high class manager in finance and a high class educator that one can readily command $50,000 or $100,000 per annum in the market, and the other but $10,000. The railroads, banks, trust combinations and other master business corporations must have the best executive brains, and, as they are all competing for it, they willingly pay the great price. It may be the misfortune of the college professors that the supply of first rate educational talent exceeds the demand and lessens the reward. But that cannot be helped. Values are governed by an economic law. We do believe that the professors should be better paid, but the good chancellor should scold the alumni or the famous dispensers of benefactions for that fault, and not draw fallacious comparisons.

THE reformer Brackett (counsel for Canfield before *he* "reformed") has been telling a daily paper about the laws he is going to get the Legislature to pass in reforming insurance. There are five, and one of them is this:

4. While not strictly germane to the present situation, prohibit industrial insurance so called and its enormous lapse sheets as but a single remove from robbery; and all forms of infant insurance as murderous.

Senator Brackett is undertaking a large contract when he sets out to kill industrial life insurance. There are fifteen million Americans holding industrial policies, and their interest in industrial insurance amounts to more than two thousand million dollars. It is the kind of insurance their small means enable them to take, and if they are deprived of this medium they must go without. The application of the term murderous to infantile insurance is another display of the Senator's ignorance, as well as malice. He knows nothing about the actual operation of infantile insurance because he has never informed himself of the numerous reports on the subject printed in England in connection with the unsuccessful attempts of certain underdone philanthropists to secure its interdiction by parliament, nor of the controversies started in Massachusetts by the same class of people, which ended in their overwhelming defeat. The working people who constitute almost the sole users of infantile insurance, which is practically burial insurance, are its chief advocates and defenders, and repudiate with indignation the inference of the reformers that they are capable of slaying their offspring for the paltry few dollars which would come to them from an industrial life insurance company if their babies died. All of which is widely known, and goes to show what a pretentious humbug this Senator Brackett is.

Facts and Opinions.

In our issue of last Saturday we printed a series of **questions which the insurance commissioners of Tennessee and Kentucky are propounding** to all the life insurance companies doing business in their States. Since then the inquisitors have added to the series, which were nine in number, four more, and here they are. We presume it is the intention of the two commissioners to publish the answers, as they state that they are to be placed on file in their offices "for the information of the public and the policyholders":

10. Please give the amount of cash balance on hand, with the amount on interest and the amount not on interest, separately, on the 15th of each month of last year.

11. Is there any agreement, expressed or implied, between your company and any bank or trust company in which you have deposits, providing that such deposits shall not be drawn against at will by your company?

12. Have you any agreement, expressed or implied, with any bank, trust company, corporation or individual providing for the sale or transfer by your company of your advances to agents or agents' balances, by which the sale or transfer of such advances or balances is reported in some other manner in your claimed assets.

13. Are the dividends you apportion and pay uniform throughout the United States for policies of the same character and age? If any discrimination is made, explain fully the territory affected, the extent of the discrimination and the reasons therefor.

A **shocking accident** occurred on Wednesday night at Cliftondale, near Lynn, Mass., in which William Butler Woodbridge, vice president and general manager of the Columbian National Life insurance company of Boston, was instantly killed and S. Herbert Wolfe, the actuary, was seriously injured. The two gentlemen, in company with A. E. Childs, president of the Massachusetts Lighting Company, attended the races in the afternoon in an automobile, and dined at the Brookline Country Club, where Mr. Woodbridge was a member. About 9 o'clock, attracted by the beautiful moonlight, they took a ride along the North Shore, and while turning a road under the shade of trees the driver ran the machine into a stone wall and barbed wire fence. It went over an embankment, turning over twice and burying Messrs. Woodbridge and Wolfe, who were sitting on the back seat, beneath its ponderous weight. The life was instantly crushed out of Mr. Woodbridge. Mr. Wolfe was found in an unconscious condition, badly crushed, and a fracture of the skull was suspected. Mr. Childs and the chauffeur were only slightly injured. Mr. Wolfe was taken at once to the Lynn Hospital, where he is lying at present, attended by the best physicians and members of his family, who went on from New York as soon as the news of the accident reached them. Mr. Woodbridge was the founder of the Columbian Life insurance company, a man of indomitable energy and very widely respected for his exceptional ability. He was a graduate of Princeton University of the class of 1893, and while there was noted as a leader in athletics, as well as a scholar, having been captain of the Princeton Athletic Association and intercollegiate track champion. He leaves a widow and two young sons. Mr. S. H. Wolfe, one of the best known consulting actuaries of the country, has hosts of attached friends in New York and elsewhere, who were shocked and sorely grieved by the news of his mishap. Anxiety about his condition continued all day Thursday, and was partially relieved near evening by advices from Boston that some improvement was apparent, and that the physicians were more hopeful of results. The following telegram from our Boston correspondent sent yesterday morning gave the latest information regarding Mr. Wolfe prior to our going to press, and may be accepted as reassuring: "Doctors think that they can pull Wolfe through. No fracture of skull; concussion, of course. Gradually recovering consciousness."

The following notice of a forthcoming **conference on overhead writing** by leading company officials and a special committee of the National Association of Local Fire Insurance Agents at New York, June 28, has been sent us for publication from the office of a leading company:

A meeting of officials and managers of leading companies, representing both American and foreign as well as Union and non-Union companies, has been called in New York for June 28 to confer on the question of overhead writing with the special committee appointed for this purpose by the

National Association of Local Fire Insurance Agents. The meeting is in the nature of a conference pure and simple, to discuss questions which have arisen in connection with attempted overhead writing, especially by non-resident brokers who endeavor to place the whole or a part of the line at cut rates. This meeting grows out of a movement inaugurated at the mid-winter conference of the National Association at Pittsburgh, when a special committee was appointed to secure, if possible, a meeting with companies on the question outlined. Following the appointment of this committee communications were opened with prominent company interests with a view to ascertaining if it would be agreeable for company managers and officials to meet with the special committee appointed, to discuss the situation without prejudice and to formulate, if possible, mutually satisfactory principles which might become working practices. As a result of these negotiations it was found that all the leading agency companies, with one or two exceptions, were favorable to the idea of a conference for the purpose suggested and were willing to attend a meeting if called. The companies interested therefore designated June 28 as the date of the conference which, on behalf of the National Association, will be participated in by the special committee consisting of E. J. Tapping, Milwaukee; George D. Markham, St. Louis; A. W. Neale, Cleveland; W. B. Flickinger, Erie; Charles P. Whitney, Chicago; President A. H. Robinson, Louisville; Secretary Henry H. Putnam, Boston. The agents' committee, it is understood, will not appear at the conference with any definite program to present to the companies. It will merely ask the company managers to listen to its statement of the agents' case and endeavor to secure the co-operation of agency interests upon any platform which the conference may conclude will best protect the mutual interests of the companies and their agents.

At the commencement of New York University on June 8 **Chancellor MacCracken,** in his address to the graduates, indulged in some interesting, if sophistical, comparisons between insurance and college education. He said:

Universities, as business enterprises, make but a slight showing when compared with purely financial or business undertakings. Let us take the fourteen universities in the United States that stand first in the number of diplomas which they have issued, and compare them with the fourteen corporations in this city that are now issuing policies for life insurance. The property of the fourteen universities is less than $120,000,000, consisting of one-third part of educational plant and two-thirds of endowment. In including certain State universities, I capitalize their annual State appropriations at 4 per cent. The gross assets of the fourteen life insurance companies of New York are more than $1,300,000,000, being ten times the property of the fourteen universities. The fourteen universities have in over a hundred years issued less than two hundred thousand diplomas, the average being less than fifteen thousand for each of the universities. But the fourteen life insurance companies have on their books more than two and a half million policies. The salaries of the fourteen presidents of the fourteen great universities, all put together, amount to a less sum of money every year than the salary and perquisites of a single fortunate president of a life insurance corporation. Our only hope of proving able to bear comparison with business corporations must come in the final question: What returns are made by the university to the individual and nation? The people insured in the fourteen life insurance companies receive as their recompense the promise of an average payment of $2,000 to their families after their death, or, it may be, to come to themselves if they live to a given age. On the other hand, the university has given to each one to whom it had issued a diploma an education that pays yearly dividends every year of a man's lifetime. I have yet to meet any man among the eighteen thousand that have taken out an educational policy from New York University that wants to surrender it.

The Appellate Court at Frankfort, Ky., this week gave decision in **the famous "noon" cases,** upholding standard time as defining that term. The decision in the cases of the National Fire of Hartford against the Peaslee-Gaubert Company and the Pacific Fire against the Louisville Lead and Color Company affirmed those of the lower court, and in the case of the Rochester German against the Peaslee-Gaubert Company reversed the former decision. The suits resulted from the destruction by fire on April 1, 1902, of property located at Fifteenth street and Portland avenue, Louisville. The clauses of the policies insured the building from "noon" April, 1901, to "noon" April 1, 1902. The fire originated at 11:45 o'clock standard time on the last day. The alarm was turned in at 11:59 o'clock. The difference between central standard time bases upon the mean time of the ninetieth meridian west of Greenwich and mean solar time at Louisville is seventeen minutes; so that at 11:45 standard time it would be reckoned 12:02 p. m. sun time at Louisville. The court in sustaining standard time says: "Sun time, as it is called, has so fallen into disuse in some communities that it is known only by comparison with standard time or by computation. It could scarcely be maintained that parties to a contract meant to adopt an hour for the termination of important contracts which never otherwise entered into their business or social affairs." In the Rochester German case a new trial is ordered to ascertain whether the building insured under this policy actually caught fire before or after noon.

The selection of Mayor McClellan from the three fire underwriters nominated by the New York Board of Fire Underwriters for **Water Supply Commissioner** was Charles A. Shaw, president of the Hanover Fire insurance company. The other commissioners appointed by the mayor are J. Edward Simmons, president of the Fourth National Bank, nominated by the Chamber of Commerce, and Charles N. Chadwick, president of the Charles N. Chadwick Company, nominated by the Manufacturers' Association. The members begin their duties at once. The salary is $12,000 a year, and the posts are practically of life tenure. The members of the board have the direction of the spending of more than a hundred million dollars upon the city's water supply system. They will have full and unrestricted power to appoint a secretary, all the engineers and other employees they need, and to fix salaries of all employees. The *Journal of Commerce* says:

The general plan in view for an extension of the water supply system of the city is to acquire certain lakes and streams in Ulster County in what is known as the Esopus watershed. It is part of the comprehensive plan proposed by the Burr Commission. The general estimate of the engineers is that the work contemplated will cost approximately $90,000,000, and that from twenty to thirty years' time will be required to complete the work.

The prospectus of the **Real Estate Owners' Fire insurance company,** proposed last month, is being at present circulated among brokers and others, naming the capital as $200,000, with a paid up surplus of 50 per cent. of the capital. The shares are to be $10 par, selling at $15. The company is to be conducted on the profit sharing basis, the policyholders to receive 75 per cent. of the underwriting profits. The business is to be divided into three separate classes, with the loss and expense of each class kept separate from the others. The first class will consist of brick, stone and iron buildings within the protection of the fire department. The second class will consist of sprinklered buildings. These two classes will be insured under a guaranteed operating expense of 15 per cent. of the premiums. The third class will consist only of first class buildings of the two grades already named, but will not participate in the profits. Every insurance agent who becomes a stockholder, according to the prospectus, will receive 25 per cent. commission on the business he writes.

The **Committee of Twenty** has issued its **report on Knoxville, Tenn.** It comes out just as that ill-fated city turned in another $200,000 loss. The report shows that for the past ten years the loss ratio in Knoxville has been 115.6 per cent., while this year it is certain to be 100. The worst years were 1897 with 474 per cent, 1904 with 229 and 1902 with 153. The report shows up the shortcomings of the fire department, its equipment and the water supply. The recommendations number seventy-two, an unusually large number. One point criticised is the telephone connections with the waterworks, and this is justified by the last fire, when it was impossible to reach the works for nearly an hour, the water pressure remaining inadequate. For purposes of comparisons the city schedule and the universal schedule were applied to Knox-

ville conditions, giving a key rate of 55 cents for the city. In this no charge was made for previous fire record, and it was held that at least 100 per cent. could be added with that point.

Proceedings for the appointment of a receiver for the **International insurance company of New Jersey** have been begun in the Court of Chancery at Trenton by Asrol Kauffman, of Atlantic City. An order is also sought to compel the thirteen stockholders to show how they obtained possession of their stock, which he claims was not properly paid for. He charges that the company did not make the proper deposit with the Insurance Commissioner on beginning business, and that the officers have misused the funds. The president of the company, Risley Barlow, who is named first among the defendants, has said that the company never started in business, that Kauffman was not a stockholder, and that what little money was subscribed to start the company at first was used to pay for the preliminaries of incorporation. A West Virginia corporation of the same name with which Barlow was connected went into receivership after the Baltimore fire.

The total loss on the **Grand and Avenue Theatres,** recently burned at Pittsburgh, was $110,000. The insurance on the burned buildings was $95,000. The investigation of the fire marshal showed that the electric lighting caused the fire. The porter of the theatre told of turning on the lights and noticing a sparking on the switchboard. On looking up he saw that drops in the loft were on fire. He notified the fireman, who was turning on the water in the stage pipes when the burning drops fell and forced him away. The lighting system had been tested only the day before by the underwriters and found to be all right. As in many theatres a bulb on a long wire was used in the loft and moved wherever needed, and it is the theory that this bulb became wrapped in cloth or scenery and charred it to such an extent previously that the wrappings ignited when the porter turned on the lights for the last time.

A **decision of interest to accident companies** has been rendered by the Kansas City Court of Appeals. J. Crawford James, a prominent queensware merchant of Kansas City, sued the United States Casualty Company to recover $50 a week, the full amount of his indemnity, for 104 weeks, the full period of indemnity, for partial disability resulting from an injury to his knee cap. The evidence showed that Mr. James attended to his business, was in his office part of the time and made a business trip to New York during the period covered, and the company declined to pay the claim for the full amount. The lower court gave a judgment in favor of Mr. James, which has been affirmed by the Court of Appeals, the latter holding that it cannot be maintained that "before the assured can recover accident insurance in this case he must lie the full period of his injury in a state of coma."

In the good old days when the Insurance Company of the State of Pennsylvania used to do a marine business it was the duty of one of its employees to keep a **daily report of weather conditions.** This was done for a period extending over twenty years, and the old yellow reports, which can be seen in the company's present offices, are very interesting. Observations were taken in the morning, at noon, and in the afternoon or evening, and records were made of the direction of the winds, condition of the sky and thermometer. Remarks were frequently passed upon sudden changes in atmospheric conditions and extraordinary temperatures. The books have our "oldest inhabitant" skinned to death when it comes to weather stories, and what is more are more accurate than memory.

A Berlin cable dispatch of Thursday says that "the **German policyholders of the Equitable** want to be represented on the board of the reorganized company. This is one of the objects of the sub-committee appointed by the general committee of the Association of German Fire Insurance Companies, which includes life insurance companies and those doing both life and fire business. The principal purpose of the sub-committee appears to be to create distrust of all American insurance institutions. The Equitable, which has taken no new policies in Prussia for six years and is only collecting premiums and liquidating claims on former contracts, has $20,000,000 in policies outstanding, and investment in real estate and Government bonds amounting to about $7,500,000."

The Missouri Insurance Department is being flooded with letters from policyholders in fraternal associations and assessment companies, asking for an interpretation of the recent decision of the Supreme Court applying the provisions of the **Missouri non-forfeiture** law to **assessment policies.** Indications are that every dissatisfied holder of an assessment policy in the State will want to lapse his policy and apply for extended insurance. The Missouri Supreme Court will render a decision next month as to whether it shall grant the application of the Endowment Rank of the Knights of Pythias for a rehearing. It is believed, however, that nothing will result from this, as the court was unanimous in its original decision.

An example of **directors who directed** the **affairs** of one of the oldest fire insurance companies of America, in the early days of its successes, is shown on the minutes of a meeting of said board: "Resolved, that the action of the board of directors at the last meeting be reconsidered, and the clock be placed over the mantelpiece." This same company had thirteen directors, and a leaf from the treasurer's report would make the directors of a modern life insurance company gasp. A certain entry shows that on one occasion the thirteen had refreshments served at the expense of the company. The expense account reads: "Crackers, 6 cents; snuff, 6 cents; total, 12 cents." The company was able to declare a semi-annual dividend.

An important meeting of business men was held in **Chicago** last week to further the proposed **high pressure system** for the congested district. The matter was considered from the standpoint of finance, the policyholder, the insurance company, the insurance agent, the economist and the humanitarian. All urged the speedy installation of the system, and it was developed that financial reasons were the only difficulties in the way. H. B. Seeley, secretary of the high pressure commission, gave a stereopticon demonstration of the fact that the bulk of the losses came from the unprotected, ordinarily constructed buildings of large area, and that these could be controlled most easily by the high pressure system.

Regarding the effects of the lamentable death of Vice President Woodbridge on the affairs of the **Columbian National Life** insurance company, we learn that its work will go on uninterruptedly, as Mr. Woodbridge had anticipated such an event as his death by indicating his successor. He had carefully trained Mr. F. W. Ganse, manager of the Central department of the company at Chicago, who has accomplished important results for the company in the West, as his under-

study, and at a special meeting of the directors held yesterday he was appointed as his successor. Mr. Ganse is a man of strong personality, and will continue to carry out the ideas upon the lines so successfully laid down by Mr. Woodbridge.

Following a suit in the courts of Louisville, Ky., the Germania Life will pay $1,000 to the estate of Charles Lauer of that city, who **died fifteen minutes after** the payment of the first premium on his policy. After the policy was written there was some delay on the part of the insured about the first payment. The agent finally went to his house and although told that the insured was sick in bed took the premium after some hesitancy. The company maintained in its defence that the contract was not completed until the premium was paid, and that the prospect was then fatally ill, contrary to the conditions of the application. The court decided against the company.

The **burglary companies,** which have a **differential rate** for Chicago as compared with the rest of the country, have agreed on a new form and rates to be used in competition with outside companies. The old form will still be issued at the old rates. The new form has a minimum amount of insurance of $500, with a minimum rate for private residences and flats, with hall boys and elevator attendants, of $12.75 and $15 in flats without attendants. The rate for $1,000 is $15.50 in the private residences and protected flats, and $17.50 in the unprotected. A sliding scale is provided up to $5,000 of insurance, with a charge of $4 per thousand for all above that amount.

To fill the vacancy caused by the resignation of M. H. N. Raymond as **Michigan State agent for the Connecticut Fire,** Manager McDonald has appointed Gustav Schmeman, now Michigan special agent of the Milwaukee Mechanics. Mr. Schmeman is regarded as the best choice that could have been made in that field, as he ranks high among the non-Union field men, and has the respect and regard of his Union associates. Manager McDonald, in announcing the appointment, notifies his agents that the premium receipts for the first ten days in June for the department increased $3,082 as compared with the corresponding period of 1904.

The latest issue of the *Oesterreichische Revue* says that a lawyer of Stockholm has recently undertaken the task of organizing the **policyholders of the Mutual Reserve** Life insurance company **in Sweden** to take up a common action against the company. Suits will be brought on the same grounds as those which were started some time ago in England and resulted in decisions by the courts that the company, having violated its contracts with the policyholders by raising their rates, must return to them the premiums paid, with 4 per cent. interest. It is claimed that the company has policies in force in Sweden on which over a million dollars in premiums has been paid.

The net premium income of **the Norwich Union Fire** for the year ending December 31, 1904, amounted to £1,173,073. The losses (paid and outstanding), inclusive of those arising from the conflagrations at Baltimore and Toronto, were £752,468, being 64.14 per cent. of the premiums. After setting aside one-third of the premiums (£391,024) as a reserve against liabilities on policies not run off, the balance at the credit of profit and loss account, including the unappropriated balance, £286,981, brought forward from the previous year, is £330,606. After paying the annual dividend a balance of £275,606 is carried forward.

The First Chamber of the Civil Tribunal of the Seine, Paris, has given judgment in the case of the widow of the late M. **Syveton,** member of the Chamber of Deputies, **against the Mutual Life** insurance company of New York city. Mme. Syveton disputed with her father-in-law the payment of the 25,000 francs insurance on her husband's life, and the company delayed payment pending the settlement of the dispute. The court has held that the policy must be paid to Mme. Syveton with interest, and that the company and the father-in-law are to be held jointly responsible for the interest caused by the delay.

At San Antonio the **Southwestern Life Underwriters' Association** has been organized, and will have permanent headquarters in the Alamo National Bank Building. All interested in the profession of life underwriting from managers to agents are eligible to membership, and the following official staff has been elected: President, Almon Robeson, San Antonio; vice president, Edwin Chamberlain, San Antonio; second vice president, L. L. Marks, San Antonio; third vice president, Dick Oliver, San Antonio; secretary, W. H. Watlington, San Antonio; treasurer, H. H. Furlow, San Antonio.

In going over the table **of New York city's bonding** business this week Comptroller Grout discovered that the Empire State Surety Company and the Ætna Indemnity Company were on his books for $18,695,000 and $6,496,000 respectively for bonds of city officials. He notified the companies in consequence that in his opinion their business in his department had reached the safety limit, and that he would for the present accept no more bonds from them. This action was taken merely as a conservative measure, and, of course, involves no reflection on the companies named.

A priest of St. Louis was a messenger last week to an insurance office in that city for the purpose of returning $475 **"conscience money"** to the company. At a deathbed confession made many years before a parishioner told of burning his property and collecting the money. He was in poor circumstances and could not pay back the money himself, but pledged his family with his last breath to do so. They struggled and pinched for years, and recently completed the amount with interest, making the priest who originally took the confession the messenger of restitution.

The **Equitable Life men in Arkansas** have been keeping their courage up during the troubles of the company, and got a bracer from a banquet given at Little Rock, June 6, by State Manager H. A. Ramey. Mr. Ramey showed that the business was keeping up well, and there was every reason why it should. Reassuring telegrams were received from the home office, and addresses were made by agents and business men. The agents pledged themselves to write $500,000 during June, the Little Rock agency having ranked eighteenth for the United States in May.

The firm of Fries & Breslin, carpet manufacturers, of Camden, N. J., have brought **fifty suits against** various **fire insurance companies** on account of the fire which destroyed their plant in October of last year. The property was subject to chattel mortgages, although the policies provided against such encumbrances. The firm contends that the agents who wrote the policies had knowledge of the mortgages.

The recent **defalcation of E. J. Smith,** ex-tax collector of San Francisco, which may cost the National Surety Company

about $30,000, calls to mind the numerous losses on bonds of public officials of California which have been paid by surety companies in the past. The National has notified its Pacific Coast department not to solicit any more public official business, whether Government, State, county or city, believing the system of accounting to be very weak and the moral hazard too great to justify taking such chances at the low rates there prevalent.

The **Pennsylvania Association of Local Fire Insurance Agents** held its sixth annual meeting at Wilkesbarre on Wednesday and elected the following officers: President, F. L. Hitchcock, Scranton; vice president, W. C. Hembold, Clearfield; C. W. Hathaway, Olyphant; C. K. Spangler, York; secretary and treasurer, E. B. Rankin, Harrisburg; executive committee, William D. Phillips and W. H. Handeville, Port Allegheny; W. B. Flichinger, Erie; George E. Kulp, Lock Haven; J. H. Musser, Harrisburg; J. Jessup, York; W. G. Eno, Wilkesbarre.

A Little Rock special to the *New York Commercial* says that argument in the test suit of the **State of Arkansas against the Hartford Fire,** under the anti-trust law, has been set in the Supreme Court for next Monday. The arguments will be completed in a day, and a decision is expected within a week or two. James M. Beck, of New York, will address the court on behalf of the company. He will be assisted by half a dozen of the leading attorneys of the State. The point to be argued is the constitutionality of the extra-territorial feature of the law.

At a **sale** on Wednesday in Hartford **of shares of stock** of local insurance companies, sold by the National Bank of New England, of East Haddam, which recently decided to go out of business, a share of the Phœnix sold for $290.25, a share of Connecticut Fire sold for $325, one of the Ætna Fire for $349 and a share in the Ætna Life brought $421. Two shares of the American Fire of Philadelphia were sold on the Stock Exchange in that city this week at 145, an advance of 19 points over the last previous sale made early this year.

Arrangements are being pushed rapidly for the eighteenth annual convention of the **International Association of Accident Underwriters** at Lake Muskoka, Canada, on the 18th, 19th, 20th and 21st of next month. Many of the delegates are arranging to stay a day or so at Toronto, and the Ontario Accident insurance company of that city has appointed a reception and information committee from its staff, consisting of Messrs. B. G. Walker, R. G. Baigent and W. H. Hedges, who will do their best to help out the visitors in any way.

There seems to be a mystery about the **disappearance of "Willoughby" Middleton,** president of the New York Realty Corporation, with offices in the Mount Morris Bank Building on 125th street, beyond the fact that he left his business affairs in a complicated condition. Shortly before he vanished it is said he sought to have his life insured for $1,000,000, and made application to several companies. He was rejected because he seemed "too anxious" to get a big sum on his life.

The **Ohio Association of Local Fire Insurance Agents** had a big attendance at its annual meeting on Wednesday at Akron. Interesting discussions were held and the following officers elected: Francis M. Cooke, Akron, president; Frank E. Lauterbach, Columbus, first vice president; George H. Owen, Columbiana County, second vice president; A. P. Ross, secretary; Charles W. Bryson, Columbus, treasurer; J. R. Boalt, Dayton, chairman of executive committee.

The **Illinois Field Club** elected officers at its annual meeting at Delavan as follows: President, R. P. Ockenga, of the German of Freeport; vice president, G. W. Stuck, of the American of Newark; secretary, C. G. Meeker, of the Concordia. The **Illinois State Board** elected the following officers: President, Fred B. Luce, of the Phœnix of Hartford; vice president, Frank C. Hazleton, of the Northern; secretary, C. F. Persch. The board met at the same place in the spirit of fraternization.

A committee to consider the extension of the jurisdiction of the **New York Fire Insurance Exchange** over all the territory in New York city has been appointed by Vice President Henry Evans. Its members are C. G. Smith, E. H. A. Correa, George W. Hoyt, A. H. Wray and Edward Lanning. This committee will report to the September meeting of the Exchange. The action is taken in accordance with a resolution passed at the last meeting of the Exchange.

The **Phenix of Brooklyn** has completed an extensive rearrangement of its Western field force. A. C. Robertson, special agent in Wisconsin, is transferred to Oklahoma and Indian Territories; Robert Air to the Kansas field, assisting State Agent C. F. Thomas; Earl Thomas goes from Colorado to Texas as assistant to State Agent John M. Thomas, Mark Banta being transferred from Kansas to Colorado to take his place there.

The business of the **Central Accident insurance company** of Pittsburgh is steadily growing. The forecast of the six months' work shows that the increase in cash premiums so far this year has been made at the rate of $100,000 per year. The directors at their regular meeting on June 13 declared a semi-annual dividend from the earnings for the past six months of $4 per share, or at the rate of 8 per cent. per annum.

Following the close of the Southern department of the **Ætna Indemnity Company** at Baltimore and the purchase by President Heinze of the stock of the Baltimore people, the company has appointed Mr. A. J. Hunter as manager of the company's office at Baltimore, with the State of Maryland as his field. Mr. Hunter is well known in Baltimore insurance circles, and is an experienced and aggressive worker.

The Indiana companies are getting after the **staff of the Northwestern National Life** of Minneapolis. The State Life of Indianapolis has appointed R. H. Raglan, manager for the Northwestern National in Kansas City, as its manager, with the same headquarters. J. A. Bristol, field superintendent for Missouri and Illinois, has gone with the American Central Life in Southern Illinois, with headquarters in St. Louis.

Having reached the conclusion that he can do better work and produce more satisfactory results for both readers and advertisers by changing the time of issue of his admirable review, the editor and proprietor of **the Insurance Register** announces that hereafter it will appear monthly instead of weekly.

The **Ohio State Fire Prevention Association** met at Columbus, Ohio, June 6. F. M. Griswold, general inspector of the Home of New York, read a paper on fire protection and

legislation, and G. V. Steeb, chairman of the fire and water committee, reported on the fire protection in several cities. A. P. Ross, secretary of the Ohio local agents' association, was elected assistant secretary of the organization.

A committee of the Ohio Field Club, made up of L. J. Bonar, of the North America; A. G. Sanderson, of the Ætna, and J. O. Dye, of the German American, has issued a pamphlet entitled **"The Equity and Justice of Coinsurance."** It gives a copy of the coinsurance clause, explanatory tables and examples, with a brief and forcible argument, showing the necessity, reasonableness and justice of the clause.

Contracts for sprinkler equipments are being freely given out in most of the cities in the West in which conflagration charges have been threatened or imposed. In Indianapolis contracts have been given for equipping the Van Camp warehouse, the new Ayres plant and the addition to the Parry plant, the latter being owned by D. M. Parry, the well known head of the Manufacturers' Association.

Suit to prevent the **Ohio Fire Insurance Association** of Cincinnati from doing further business and for the revocation of its charter has been brought in the Circuit Court at Cincinnati by Attorney General Hellis. A receiver is also asked for. It is claimed that the company never filed a statement with the Insurance Department, and that it is guilty of other irregularities.

The **Mississippi Association of Local Fire Insurance Agents** held its annual convention on two days last week at Vicksburg. Edward Yerger, of Vicksburg, was elected president, Austin Barber vice president, and J. K. Moore secretary. The association took action favoring better investigation of fires, better laws and the abolition of multiple agencies.

The **Lincoln National Life** insurance company of Fort Wayne, Ind., has completed its organization by the election of Samuel L. Foster president, S. J. Straus vice president, W. B. Paul second vice president and general manager and Arthur F. Paul secretary. Messrs. Paul were formerly with the Equitable. The company has $200,000 capital.

The **Tri State and Midsummer Insurance Symposium** will be held at Put-in Bay, Ohio, on July 19, 20 and 21. On the morning of the second day the meetings of the West Virginia Association, the Michigan Club, the Michigan Fire Protection Association, the Ohio League and the Ohio Field Club will be held.

The **German** insurance company of **Wheeling,** W. Va., has complied with all the New York State requirements, and is now prepared to enter this field. The State certificate is hourly expected. The company's secretary, F. Reister, and Steve W. Rice, special agent, are in this city negotiating for a representative.

The directors of the **Royal of Liverpool** report that the net fire premiums for 1904 amounted to £2,995,666, the losses to £1,735,030, and the surplus on the fire account carried to profit and loss £218,150. The total funds at the end of the year, after payment of dividend, amounted to £13,062,125.

Charged with maintaining a **combination in restraint of trade,** W. V. Wilcox, W. D. Skinner, H. R. Howell and E. C. Hawkins were arrested Wednesday at Des Moines. They all represent various insurance companies, and the cases follow those of a similar nature recently brought in that State.

Since the battle of the Corean Strait **war rates** on cargoes to the Far East have fallen off fully two-thirds what they were before. There are many cases where no war insurance is carried now, but most of the banks demand this extra protection as long as there is any danger from mines.

The style of the Providence, R. I., agency firm of Snow & Barker has been changed to **E. L. Watson & Co.,** the junior member being B. M. McDougall. Mr. Watson purchased the agency in 1902, and has just admitted Mr. McDougall, who was long in its service, to partnership.

The **Ætna of Hartford** has published an élite brochure containing a **history** of the company since its incorporation in 1819. It is well illustrated with photographs of the present and former officers of the company and the various home offices occupied since that time.

The *Economist,* published monthly at Des Moines for many years by B. W. Blanchard, is to be the *National Economist* hereafter, with an enlarged scope in its operations. Mr. Blanchard makes a lively paper, and we are glad to hear of his success.

Credit must be given to our very esteemed Boston contemporary, the *Standard,* for its fine illustration of the **Ætna Company's new building** at Hartford and pictorial sketch of the company's history. The presentation is a work of real art.

The directors of the **Mercantile Fire and Marine** insurance company of Boston at the quarterly meeting held this week elected George A. Cram second vice president and Ernest Nixon assistant secretary.

The ex-convict **Sam Lobley,** who twice swindled the Equitable Life Assurance Society by securing loans upon a policy stolen from the company's vaults, was **sentenced** to eight years in Sing Sing.

Life is chiefly occupied in getting out of tight places.—*Insurance Field, Louisville.*

This may be true in **old Kentucky,** but we did not suppose a Kentuckian would admit it.

An Insurance View.—Howell—Don't you wish you could live your life over again? Powell—Well, I should say not! I've got a twenty year endowment policy maturing next month.—*Judge.*

The Hartford Fire has decided to adopt a more liberal policy in writing **farm business in the Western Field,** and will write this line in future through recording and subagencies.

For over a year past the Equitable Society has been paying to policyholders a sum averaging **over $100,000 a day,** in death claims, matured endowments and dividends.

The **Committee of Twenty** of the National Board of Fire Underwriters at a meeting on Thursday elected S. H. Lockett secretary, to succeed the late Herbert Wilmerding.

At Denver, Col., recently a spark from a live wire ignited **turpentine fumes** in a paint factory, and caused an explosion which fatally injured two men and destroyed the factory.

Tourist insurance this summer bids fair to show up in good form. Although marine underwriters look upon this class of

business as a sort of side line, a good tourist year yields a good revenue to the companies, and the risk is considered first class.

A proposal to form a new order, to be known as the **American Arcanum,** was put forward at a meeting of disgruntled Arcanumites in Brooklyn on Thursday night.

The **United States Life** insurance company went on a preliminary term basis on June 1.

The **Volunteer State Life** of Louisville is planning to enter Georgia soon.

Personal.

AGENCY APPOINTMENTS.

American Bonding: Charles R. Fisher, Hartford, general agent for Connecticut.

American of Newark: Edwin E. Brown, Worcester, Mass.; C. E. Bradley, Lawrence, Mass.; A. J. Lane Company, Manchester, N. H.

Columbian National Life: Courtenay Baylor, State agent for Indiana, with headquarters at Indianapolis. Mr. Baylor was formerly general agent at Boston for the Phœnix Mutual Life.

Detroit Fire and Marine: Simpson, Cram & Co., New England managers, Boston, Mass.

Eagle Fire, New York: Milton Clark Company, Rochester, N. Y.; Joseph E. Poole, Albany, N. Y.

Federal of New Jersey: Charles R. Fisher, Hartford, Conn.

Prussian National: Liggett & Watkins, Pittsburgh, Pa.

Major Edward V. Preston, general manager of agencies of the Travelers insurance company, of Hartford, celebrated on Friday of last week his fortieth anniversary with the company. On that day his office was a veritable bower, and congratulations, personal and by letter and telegram, poured in on him all day. In the evening at his home the officers and agents of the company he has served so long and faithfully presented him with a mahogany chest, containing one hundred and twenty-nine pieces of silverware. A plate of gold suitably inscribed was on the cover of the chest. The presentation speech was made by the veteran Boston agent, Mr. S. F. Woodman. During all but the first two of the forty years of Major Preston's connection with the company he has had charge of its agents as general agent, superintendent of agencies and general manager of agencies, the last title having been given him in 1891. He was born in Willington, June 1, 1837, and is still in the full vigor of mind and body. Major Preston has an honorable record in the Civil War. He went out with the Fifth Regiment, C. V. I., as regimental quartermaster and first lieutenant, the first Connecticut regiment to enlist for three years. Less than ten days after his return from the war Major Preston was at work for the Travelers at Hartford, where he was a special agent, and his fine qualities brought him rapid promotion from that time on.

Mr. Charles F. Jones, formerly with the New York Life, has been appointed Philadelphia manager for the Massachusetts Mutual Life, and assumed his duties at that office on the first of June. It is understood that General Agent A. M. Funk, who formerly managed the sub-agents, is in no way superseded, as he still retains the title of general agent, and is devoting his time to "producing." Mr. Jones relieves him from the duties of sub-agency direction.

Dr. C. J. Irvin, assistant secretary of the Ætna of Hartford, has resigned and returns to his old position of special agent of the company for the Middle Department, with headquarters at Philadelphia. Dr. Irvin was appointed assistant secretary of the Ætna in December, 1902. He had previously been president of the Association of the Middle Department.

Mr. C. C. Blanchard, of Portland, Me., who has been general agent of the Northwestern Mutual in that State, has been given the larger general agency of the company for Rhode Island and part of Massachusetts, with headquarters at Providence. He will be succeeded at Portland by Mr. George E. Smith, who has been with that agency for three years past.

Mr. J. L. Adams, of Louisville, Ky., has resigned as general agent in that city of the State Mutual Life insurance company, of Worcester, Mass. He retires on account of advanced years. He is succeeded by Mr. Alphonso L. Noe, superintendent of agents for the company in Indiana.

Mr. W. B. Henry, special agent of the Delaware and Reliance insurance company, has been appointed general adjuster of the Phenix of Brooklyn in Kansas and Missouri. Mr. Charles Caldwell succeeds him as special agent for the Delaware and Reliance.

Mr. H. H. Lovell has been appointed general agent for the Casualty Company of America for Indiana, with headquarters at Indianapolis. For the past eight years he has been special agent for the Fidelity and Casualty Company for Michigan and Indiana.

Col. Isaac S. Mattler, who was for some years secretary of the former Merchants Fire insurance company, of New York city, died at his home in Brooklyn on Monday, aged seventy-five years. He was a veteran of the Civil War.

Mr. Abram Coddington, assistant secretary of the United States Fire insurance company, who has not been well for some time, resigns on that account on the last day of this month. He will be succeeded by Mr. Charles T. Rolfe.

Mr. Bruce Ravenel, of the Columbia, S. C., insurance firm of Walker, Ravenel & Co., has been appointed special agent of the New York Underwriters in that State. He will continue his local connections.

Mr. Charles C. Greene, of the Niagara Fire insurance company, has been appointed special agent of the Providence-Washington insurance company for New York State at Utica. He begins work August 1.

Mr. George A. Mory has been appointed to succeed the late A. A. Cratsenberg as special agent of the German-American in Minnesota. He has been in Missouri for the company in the same capacity.

Capt. A. J. Brown, for more than fifteen years general manager of the Fidelity Mutual Life insurance company for the State of Texas at Dallas, has retired from the active duties of that position.

Mr. F. S. White has been appointed to succeed Mr. S. L. Kempner, who resigned a short time ago as insurance clerk of the Texas Department of Agriculture, Insurance, Statistics and History.

Mr. Charles R. Fisher, of Hartford, has been appointed Connecticut general agent of the American Bonding Company, of Baltimore, Md., and also agent of the Federal of New Jersey.

Mr. Gustav Schmeman, of Detroit, has been appointed State agent of the Connecticut Fire insurance company for Michigan, succeeding Mr. H. N. Raymond, who recently resigned.

Mr. Clarence F. R. Jenne, a prominent fire insurance agent, of Brattleboro, Vt., died there of pneumonia May 31. In our last issue his name was misspelled June.

Mr. H. E. Adams, a prominent San Francisco life underwriter, has been appointed general agent of the Union Central Life insurance company for California.

Mr. F. Highland Burns has been elected third vice president of the Maryland Casualty Company, of Baltimore. He was superintendent of agencies.

Mr. Charles E. Chase has been elected to the directorate of the Hartford Fire insurance company, to succeed the late Col. Jacob L. Greene.

Mr. W. G. Ayers, an examiner in the Continental's Western department, becomes Illinois special agent of the Pennsylvania Fire on July 1.

Mr. R. D. Brizendine, a leading agent of Atlanta, died suddenly there of heart failure on June 8. He was fifty-five years old.

Mr. J. J. Tyler, of the Leominster, Mass., insurance firm of Tyler & Co., died at his home in that city last week.

Mr. John E. Cosgrove has been appointed special agent of the Northern of London in California.

Mr. E. R. Kennedy sailed for a four months' visit in Europe this week.

Official Reports.

Massachusetts Fire Insurance Report.

Insurance Commissioner Cutting this week made public his fire insurance report, which is the fiftieth annual report of the department. The following are extracts:

The insurance laws place upon the insurance commissioner, in certain contingencies, the duty and responsibility of appointing a third referee to act, in conjunction with two other referees duly selected, in adjusting fire losses. It became apparent in the proceedings under this statute that there was a lack of harmony, to say the least, between the provisions of the standard form of policy, by virtue of which certain agreements of indemnity are made with the mortgagee, and the letter of the statute, which directs how the parties shall proceed in case the two referees chosen by the insurer and the insured respectively fail to agree upon a third referee willing to act in that capacity. In this statute the rights of the mortgagee as set forth in the contract or policy are wholly ignored, as the statute is usually interpreted, and as the parties in interest usually proceed. The commissioner has no evidence that any mortgagee has been wronged thereby, but, seeing that there is a possibility that complications might arise that would be ground for setting aside the award by arbitration, or that would work an injustice to a mortgagee not understanding his rights, it was decided to lay this whole matter before the attorney general of the commonwealth for an opinion.

The opinion was summed up in the following statement:

1. The insurance commissioner should not, on the application of the mortgagor, appoint a third referee unless the mortgagee joins in the request for an appointment.

2. A referee chosen by the mortgagor, without concurrence in his selection by the mortgagee, is not duly chosen, and the insurance commissioner should not act upon his request for the appointment of a third referee.

3. You should send notification of your appointment of a third referee, not only to the insurance company and the mortgagor, but also to the mortgagee, or to their respective representatives, the two referees.

THE ROYAL EXCHANGE MATTER.

On account of certain information which came to the insurance commissioner, it was deemed best to require fire insurance com-

panies reporting to this department to make sworn statements with their report of the business of the year 1903, relative to their methods of handling certain classes of Massachusetts risks. The specific questions asked of the officers of each fire insurance company operating here were as follows:

Are all policies covering specifically or under schedules on property in Massachusetts written on the Massachusetts standard form, and signed by an authorized agent resident in Massachusetts?

Are all policies covering on property in Massachusetts under "floaters" written on the Massachusetts standard form of policy, and signed and issued to the insured by an authorized agent resident in Massachusetts?

If not, please give particulars.

Are premiums on "floaters" and under schedules covering in Massachusetts included in the company's returns to the tax commissioner of said commonwealth?

The answers to these questions were such as to indicate that all the companies were conducting their business in a lawful and proper manner. But still there was a suspicion to the contrary, which suspicion grew into a conviction as time went on, that, in respect to one company at least, there ought to be an investigation. Accordingly a representative of this department was deputized to proceed to the head office in this country of the Royal Exchange Assurance—Mr. Robert Dickson, United States manager—and make an examination of the books, records and accounts of the company, to ascertain if the law of this commonwealth was being or had been violated in respect to any of the matters covered by the three interrogatories above quoted.

It is needless to go into detail to set forth the attempts at deception which the examiner had to meet, and the difficulties thrown in his way, in an attempt to ascertain the facts. It is sufficient here to say that numerous specific instances of violation of the law were discovered, for which the statutes provide a penalty. The insurance commissioner did not care to trust to his own judgment exclusively as to the legal liability of the company on account of the discoveries made by the examination, but consulted the attorney general, who by law is the legal adviser of this department, for his interpretation of the application of the law to the acts of the company which seemed illegal. One question was as to the authority of the insurance commissioner to revoke the authority of a fire insurance company which reinsured a Massachusetts risk in an unauthorized company. His reply, which is one of importance to company officials as well as to the insurance department, reads as follows:

"July 21, 1904.

"Hon. Frederick L. Cutting, Insurance Commissioner:

"DEAR SIR—In your letter of July 1 you desire my opinion whether, upon the facts disclosed in the examination by your department of a foreign fire insurance corporation, you have power to revoke the company's authority to transact business in Massachusetts.

"The corporation, which was admitted to Massachusetts in 1891, has at its general offices in the city of New York reinsured risks on Massachusetts property, in companies which have not been authorized to do business in Massachusetts, no affidavit having been filed, in accordance with R. L., C. 118, Section 83, that the amount of insurance necessary to protect the property could not be procured in admitted companies. In each case the contract of reinsurance was made and was to be performed in New York city.

"R. L., C. 118, Section 20, provides in part as follows:

"If a company directly or indirectly reinsures a risk taken by it on any property located in this commonwealth in a company not duly authorized to transact business herein, * * * the insurance commissioner may revoke its authority to transact business in this commonwealth.

"This statute does not limit such action by the insurance commissioner to acts done by the company within this commonwealth; its intention is to prevent, so far as it may, the insurance of Massachusetts property by companies not under the control or supervision of this commonwealth. It purports to authorize the insurance commissioner to revoke the company's authority, although the ground of revocation is an act done outside this jurisdiction. The question is whether this statute thus construed is constitutional.

"While the Legislature has no right to require an owner of property situated in Massachusetts to insure it only in authorized companies (Allgeyer v. Louisiana, 165 U. S. 578), the right of the Legislature to dictate terms upon which a foreign company may reinsure its risks as a condition of remaining here rests upon a different and valid foundation. A person owning property here has a right to insure it in such company as he chooses, provided the forbidden act of insurance takes place outside the jurisdiction. Since the contract of insurance, if made outside the jurisdiction, for the sake of the owner is not to be interfered with, the other party to the contract, the insurance company, is sheltered by the owner's privilege; but in case of reinsurance, neither the insuring company nor the reinsuring company, when not authorized to do business here, is guaranteed by the Constitution the right to make that contract. The owner of the property and his rights are not to be considered, since the contract of reinsurance is entirely between the two foreign companies, there being no relation between the owner and the reinsuring company.

"The State may prohibit foreign insurance companies entirely from doing business within its limits. It may then impose such conditions as it pleases upon the doing of business, and upon failure to perform the conditions it may refuse authority to do business, or revoke an authority once given. (Paul v. Virginia, 8 Wall. 168; Ducat v. Chicago, 10 Wall. 410; Hooper v. California, 155 U. S. 648; Manchester Fire insurance company v. Herriott, 91 Fed. 711.)

"In Waters-Pierce Oil Company v. Texas, 177 U. S. 28, a Texas statute provided that every foreign corporation violating its provisions should forfeit its right to do business in Texas. The attorney general proceeded against a foreign corporation which was authorized to do business in the State for forfeiture of that right. In the United States Supreme Court the corporation contended that the statute limited its right to make contracts, and took away its property without due process of law. The court sustained the forfeiture which had been declared by the State court, observing: 'What right of contracting has it in the State of Texas? This is the only inquiry, and it cannot find an answer in the rights of natural persons.' (See also Blake v. McClung, 172 U. S. 239; Orient insurance company v. Daggs, 172 U. S. 557.)

"It is no objection to the exercise by the insurance commissioner of the power given him by this statute that his reason for revoking the authority of the company is that the company has done an act outside the jurisdiction which the commonwealth cannot effectually prohibit by penal laws having no extra-territorial effect. Since insurance is not interstate commerce, the State may deprive a foreign company of the right to do business within its limits for any reason that it deems proper.

"In Doyle v. Continental insurance company, 94 U. S. 535, the Supreme Court of the United States held that an injunction to restrain the insurance commissioner from revoking the license of a foreign insurance company must be denied. In that case the license was revoked for the reason that the company removed a case from the State to the Federal court, in violation of a State statute providing that in case of such removal its license should be canceled. The company, as a condition of its license, had been required to agree not to remove any case. Though the agreement was void (Insurance Company v. Morse, 20 Wall. 445), and a similar statute applying to a corporation or individual having a right to do business in the State would be unconstitutional, as denying a right guaranteed by the Federal Constitution (see Barron v. Burnside, 121 U. S. 186, 199), a majority of the court held that, since a foreign insurance company has no constitutional right to do business within the State, it was justifiable to give the corporation the option either to stay out or to deny itself a Federal right.

"I therefore conclude that the statute authorizes you to revoke the license of the foreign insurance company for the reasons stated, and that the statute is valid, though indirectly prohibiting acts done outside of the State, since under it the corporation had an option to stay out of the State or comply with the statute.

"Very truly yours, HERBERT PARKER,
"Attorney General."

As the fact was established, to the satisfaction of the insurance commissioner, that the company in question had reinsured Massachusetts risks in unauthorized companies, the authority of the company in question to transact business in Massachusetts was revoked, such revocation taking effect on July 22. Other violations of the law made the company subject to many penalties, and it became evident also that the general agent of the company in Boston was not wholly innocent of complicity in some of its illegal acts. Upon due consideration it was determined that the fines and penalties incurred were sufficient in number and importance to warrant an aggregate fine of at least $15,000 upon the company, and $200 was deemed a proper penalty for the offences committed by the Boston agent. These fines were duly paid and covered into the treasury of the commonwealth.

The question then came up as to the readmission of the company. There never was any doubt in the mind of the commissioner as to its financial soundness; in fact, it is one of the old and rich and conservative companies of Great Britain, and its United States branch also was of undoubted financial strength. Moreover, it became evident that the home office officials of the company were wholly innocent of any complicity with the acts of the United States branch which were in violation of the Massachusetts statutes. Their disapproval of these acts rendered it evident that their repetition was wholly unlikely, even under the management of the person who was then conducting its affairs in the United

States. Accordingly, the company was readmitted in due time. The home office managers, soon after its readmission, took charge of its affairs on this side by sending over one of their own number, Mr. E. B. Hiles, to conduct its business. After due consideration he selected a new United States manager, in the person of Mr. U. C. Crosby, and the company has again taken its place among the strong and responsible fire insurance companies transacting business in this commonwealth. The incident has its lessons. May they be heeded.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Connecticut.

HARTFORD, Conn., June 15.—Senator McGovern, chairman of the Committee on Insurance, reported favorably in the Senate today a bill providing further reserves for insurance companies writing personal accident and liability insurance. The method of computing such reserves is also specified in the bill.

The bill requiring the Hartford Life insurance company to divide its safety fund among the assessment certificate holders has been killed finally in the Senate after an unfavorable report by the Insurance Committee, following its rejection in the House.

Florida.

Tallahassee, Fla., June 10.—Among the bills passed by the Legislature just adjourned were two insurance bills, one providing that when a fire policy is issued and a loss occurs for an amount less than the face of the policy the excess of premium paid on the difference between the two amounts must be returned to the policyholder. Another bill is an amendment to the revenue law, and exempts local insurance companies from the payment of the 2 per cent. tax on gross premiums.

Wisconsin.

Madison, Wis., June 8.—The House Committee on Finance, Banks and Insurance, to which was referred Senate Bill No. 361, relating to the license fee of casualty and suretyship corporations, reported the same back with the recommendation that said bill be concurred in.

In the House Senate Bill No. 361, by Mr. Hudnall, relating to the license fee of casualty and suretyship corporations, was read a third time and passed.

Senator Roehr moved that the vote by which House Bill No. 113 was concurred in be reconsidered, which motion prevailed. Senator Roehr, with unanimous consent, offered to amend title to the bill, by adding thereto "and making an appropriation therefor," which amendment was adopted, and the bill, as amended, was read a third time and concurred in.

Senate Bill No. 304, relating to the annual license or tax to be paid by life insurance companies of other States and countries, was read a third time and passed.

The Senate concurred in House Bill No. 697, a bill relating to agents of insurance companies.

House Bill No. 434, by Mr. Dahl, a bill for the taxation of life insurance companies, was read a third time, but the Assembly refused to pass the bill.

On House Bill No. 253, by Mr. Bletcher, to regulate the examination of insurance companies by the Department of Insurance, the question shall the bill pass, notwithstanding the objections of the Governor, was decided in the negative.

In the House the Committee on Finance, Banks and Insurance reported Senate Bill No. 85, relating to forms for and publication of statements of insurance corporations, with an amendment in the form of a substitute bill, with the recommendation that the same pass.

The same committee reported Senate Bill No. 512, by the Insurance Committee, to provide for investigation into the origin of fires, with the recommendation that it be concurred in.

Madison, Wis., June 12.—House Bill No. 696, by the Insurance Committee, a surplus distribution bill, was concurred in by the Senate today.

MADISON, Wis., June 14.—House Bill No. 696, relating to the distribution of surplus by life insurance companies, has passed with the following amendment recommended by the Committee on Insurance. The amendment adds after the last line of the original bill:

Nothing in this section shall be construed to hereafter permit any such corporation to defer distribution, apportionment or accounting of surplus to policyholders for a longer period than five years, and on all policies hereafter outstanding under the conditions of which the actual distribution is provided for at a definite or fixed period the apportioned surplus shall be carried as a liability to the class of policies on which the same was accumulated.

The only other legislation affecting life insurance companies so far enacted is the substitute for Senate Bill No. 304, which provided for 2 per cent. gross premium tax in lieu of all other fees and taxes, or retaliatory fees and taxes except agents' licenses. The substitute, offered by the legislative representative of the Northwestern Mutual Life, fixes the tax at 3 per cent. instead of 2 per cent., and provides that the law go into effect only after January 1, 1908.

Miscellany.

Death of William A. Thomas.

Mr. William A. Thomas, manager and one of the proprietors of the *Insurance Observer,* of New York, died from heart disease at his home on last Monday. He had been in poor health the past two years, and since January 1 had seldom been in his office, although he was not confined to his bed until about a month ago. Mr. Thomas was a native of Newark, N. J., where he was born February 9, 1844. He was with the *Chronicle* in a business capacity several years, and in 1895 started the *Insurance Observer* in conjunction with Mr. John S. Hanson, its editor. He was a man of domestic habits and attached to his home, in which he was much beloved and valued.

At a meeting of members of the Once a Year Club, held at the office of THE WEEKLY UNDERWRITER on Tuesday, the following resolutions, presented by a committee composed of Charles A. Jenney and Charles J. Smith, were adopted:

Whereas, For the second time this month the Once a Year Club is called upon to mourn the loss of one of its associates in insurance journalism, be it

Resolved, That in the death of William A. Thomas on June 11 insurance journalism has lost one of its oldest and most widely known co-workers, and the Once a Year Club loses a member who has been a constant and faithful attendant at its meetings. The "Old Guard" is passing swiftly away, and we who survive deplore the ravages which death has recently made in our ranks, and pay this tribute to the many good qualities of our deceased friend. And be it further

Resolved, That the members of the Once a Year Club tender their sympathy to the family of the deceased and to his associate in the publication of the *Insurance Observer,* and that a copy of these resolutions be presented to the widow.

CHARLES A. JENNEY,
CHARLES J. SMITH,
Committee.

These resolutions were duly engrossed and sent to Mrs. Thomas. The officers of the Once a Year Club contributed flowers on the occasion of the funeral on Wednesday.

Change in the Control of the Equitable Life—The Documents in the Case.

At the meeting of the directors of the Equitable Life Assurance Society on Friday, June 9, the announcement was made that the stock of the company controlled by James H. Hyde and his family had been sold to a syndicate headed by Thomas F. Ryan, the financier, and that he had invited three well known citizens of high character—ex-President Grover Cleveland, Morgan J. O'Brien, presiding justice of the Appellate Division of the New York Supreme Court, and George Westinghouse, of Pittsburgh, president of the Westinghouse Manufacturing Company—to take charge of the stock as trustees, with power to vote it for the election of directors in accordance with the mutualization plan heretofore desired, which proposed a division of the fifty-two directors into twenty-eight representing the policyholders and twenty-four representing the stockholders.

As a part of this plan of reorganization Paul Morton, the present Secretary of the Navy, was elected by the directors' meeting chairman of the board, with plenary powers over all the departments of the company, and he accepted on condition that he should have a free hand. In accordance with this agreement the president and all the vice presidents of the company tendered their resignations, and the new chairman holds them, as to acceptance, subject to future action.

The following statements have been published, which will explain the several phases of this new situation:

STATEMENT BY VICE PRESIDENT HYDE.

NEW YORK, June 9, 1905.

To the Board of Directors of the Equitable Life Assurance Society of the United States:

DEAR SIRS—Now that the legal rights of the stockholders have been determined by the Supreme Court of the State, I have reached the conclusion, as the result of the most earnest and anxious reflection, that the welfare of the society founded by my father, and which I have so deeply at heart, demands that the stock control shall cease to be vested in any one person, and that I should part with a majority of the stock in such form that no one individual shall continue in control of the destinies of the society.

I have accordingly, but not without great hesitation and personal regret, sold the stock which my father placed in trust.

I am advised that as the holder of the controlling stock I have the power and hence the responsibility of repairing the damage that has been inflicted upon the society, in so far as that may be possible.

It is in the discharge of that responsibility that I have parted with the majority of the stock in the interest of the policyholders and in a form which I believe will enable the society to regain its prestige and resume its interrupted era of prosperity.

If that be the result I shall be content.

In this connection you will perhaps pardon me for repeating what I have so often said to you, that throughout my career with the society its interest has always been uppermost, and I have never conscientiously done or omitted anything which would be to its injury or disadvantage.

I hope I may be pardoned the statement that the prosperity of the society of late years is at this time my greatest source of pride and consolation. I am quite content to submit my acts in connection with the management of the society to the verdict of all fair minded men when the unreasoning public clamor, induced by the false and sensational attacks upon me, shall have passed.

I shall retain a substantial stock interest, and hope to continue to be identified with the affairs of the society as a director and in such other ways as may be deemed desirable.

In order that the chairman who has been selected may have a free hand in the management, I shall hand to him my resignation as vice president for such action as he may deem advisable. You may rely on my earnest co-operation at all times in the accomplishment of the task of reinstating the society in the public confidence and esteem.

The purchasers of the stock have expressed their intention to divest themselves of all voting power and immediately put control of the company in the hands of policyholders, notwithstanding the pending litigation, by conveying the stock to a board of trustees of such character as to command universal confidence, and not connected with any financial institution, and giving them power to vote it for the election of directors as to twenty-eight of the fifty-two directors as instructed by the policyholders, and as to the remaining twenty-four directors according to the uncontrolled judgment of the trustees, thus following the plan of mutualization already approved by the insurance department and eliminating the one man power to which so much objection has been made.

Provision is intended also to be made for an amendment of the charter so as to perpetuate this control of the policyholders.

I think you will find that everything possible has been done to insure the resumption of the interrupted prosperity of the society.

Very respectfully yours, JAMES H. HYDE.

STATEMENT BY SAMUEL UNTERMYER.

Mr. Untermyer, counsel for Mr. Hyde, made the following statement:

Mr. Hyde has sold a majority of the stock to a group of policyholders represented by Thomas F. Ryan, and of whom he is one. Mr. Hyde retains a substantial stock interest and will continue to be identified with the company. All the officers, including Mr. Hyde, have placed their resignations in the hands of Mr. Morton, subject to the control and disposition of Mr. Morton. The interests of the policyholders have been most carefully safeguarded by Mr. Hyde, as will be apparent from the terms of his letter to the board.

In reply to Mr. Hyde's letter the board of directors adopted the following resolution:

Resolved, That the board appreciates the high sense of duty in the interest of the society which prompted the action of Mr. Hyde, and begs to tender him the thanks of the society for such action.

STATEMENT OF MR. RYAN.

Mr. Ryan makes the following explanation:

In connection with some other policyholders who, like myself, have never had any relations with the Equitable except as policyholders, I have purchased from Mr. Hyde a majority of the stock of that society. We have made this purchase for the sake of putting an end to the present unfortunate condition of the company's affairs, not only in the interests of the policyholders but for the general business interests of the entire country.

We propose, on receiving the stock, to immediately divest ourselves of all voting power and accomplish in substance and effect the plan of mutualization already approved by the Superintendent of Insurance. We propose to do this by conveying the stock to a board of trustees composed of men of such character as to command universal confidence and having no connection with Wall Street, with power to vote the stock for the election of directors—as to twenty-eight directors, in accordance with the instructions of the policyholders of the society, and as to the remaining twenty-four directors, in accordance with the uncontrolled judgment of the trustees.

This will at once accomplish the object of putting the control of the company in the hands of the policyholders, and will eliminate entirely the one man power, to which so much objection has been made.

Our willingness to take this course has been influential in inducing Mr. Morton to accept the chairmanship of the board and to undertake the reorganization of the society, which it is our wish to have as thorough and complete as possible.

I have already asked ex-President Cleveland, Justice Morgan J. O'Brien, presiding justice of the Appellate Division of the Supreme Court of the First Department, and George Westinghouse, of Pittsburgh, to act as trustees of the stock. The last two named are among the large policyholders of the Equitable.

MR. RYAN TO MR. CLEVELAND.

MY DEAR MR. CLEVELAND—You may be aware that a bitter controversy exists regarding the management of the Equitable Life Assurance Society, and that public confidence has been shaken in the safety of the fund under the control of a single block of stock left by the late Henry B. Hyde. This loss of confidence affects a great public trust of more than $400,000,000, representing the savings of over 600,000 policyholders, and the present condition amounts to a public misfortune.

In the hope of putting an end to this condition, and in connection with a change of the executive management of the society, I have, together with other policyholders, purchased this block of stock, and propose to put it into the hands of a board of trustees having no connection with Wall Street, with power to vote it for the election of directors—as to twenty-eight of the fifty-two directors in accordance with the instructions of the policyholders of the society, and as to the remaining twenty-four di-

rectors in accordance with the uncontrolled judgment of the trustees. This division of twenty-eight and twenty-four is in accordance with a plan of giving substantial control to policyholders already approved by the Superintendent of Insurance.

I beg you to act as one of this board with other gentlemen, who shall be of a character entirely satisfactory to you.

I would not venture to ask this of you on any personal grounds, but to restore this great trust, affecting so many people of slender means, to soundness and public confidence would certainly be a great public service, and this view emboldens me to make the request.

The duties of the trust would be very light, as, in the nature of things, when a satisfactory board is once constituted there are few changes, and all the clerical and formal work would be done by the office force of the company.

I have written similar letters to Justice Morgan J. O'Brien, presiding justice of the Appellate Division of our Supreme Court, and to George Westinghouse, of Pittsburgh, two of the largest policyholders in the society.

EX-PRESIDENT CLEVELAND'S REPLY.

PRINCETON, June 10, 1905.

Thomas F. Ryan, Esq.:

DEAR SIR—I have this morning received your letter asking me to act as one of three trustees to hold the stock of the Equitable Life Assurance Society, which has lately been acquired by you and certain associates, and to use the voting power of such stock in the selection of directors of said society.

After a little reflection I have determined I ought to accept this service. I assume this duty upon the express condition that so far as the trustees are to be vested with discretion in the selection of directors, they are to be absolutely free and undisturbed in the exercise of their judgment, and that so far as they are to act formally in voting for the directors conceded to policyholders a fair and undoubted expression of policyholding choice will be forthcoming.

The very general anxiety aroused by the recent unhappy dissensions in the management of the Equitable Society furnishes proof of the near relationship of our people to life insurance. These dissensions have not only injured the fair fame of the company immediately affected, but have impaired popular faith and confidence in the security of life insurance itself, as a provision for those who, in thousands of cases, would be otherwise helpless against the afflictive visitations of fate.

The character of this business is such that those who manage and direct it are charged with a grave trust for those who necessarily must rely upon their fidelity. In these circumstances they have no right to regard the places they hold as ornamental, but rather as positions of work and duty and watchfulness. Above all things, they have no right to deal with the interests intrusted to them in such a way as to subserve or become confused or complicated with their personal transactions or ventures.

While the hope that I might aid in improving the plight of the Equitable Society has led me to accept the trusteeship you tender, I cannot rid myself of the belief that what has overtaken this company is liable to happen to other insurance companies and fiduciary organizations as long as lax ideas of responsibility in places of trust are tolerated by our people. The high pressure of speculation, the madness of inordinate business scheming, and the chances taken in new and uncertain enterprises are constantly present temptations, too often successful, in leading managers and directors away from scrupulous loyalty and fidelity to the interests of others confided to their care.

We can better afford to slacken our pace than to abandon our old, simple, American standards of honesty; and we shall be safer if we regain our old habit of looking at the appropriation to personal uses of property and interests held in trust, in the same light as other forms of stealing.

Yours very truly, GROVER CLEVELAND.

Judge O'Brien and Mr. Westinghouse also sent letters of acceptance to Mr. Ryan.

MR. RYAN'S REJOINDER.

MY DEAR MR. CLEVELAND—I have your letter of the 10th inst., in which you formally accept the appointment to act as one of the trustees of a majority of the stock of the Equitable Life Assurance Society. I heartily concur in the sentiments you express and in your statement of the purposes to be accomplished by placing this stock in the hands of yourself, Judge O'Brien and Mr. Westinghouse as trustees in order that the directors of the society may be selected by the trustees absolutely in accordance with their own judgment and the wishes of the policyholders.

Thanking you for the personal sacrifice which you have made in undertaking to perform this important public duty, I am, very truly yours, THOMAS F. RYAN.

Being asked if there were any conditions attached to his purchase of Mr. Hyde's stock, Mr. Ryan said: "The purchase of the stock was absolute and free from any condition or commitment as to future action."

CHAIRMAN MORTON TO THE AGENTS OF THE COMPANY.

The first official act of Chairman Morton was to issue the following circular letter:

To the Agency Force of the Equitable Life Assurance Society of the United States:

GENTLEMEN—On June 9 the board of directors of the Equitable Life Assurance Society of the United States created the office of chairman of the board with "plenary power over all the departments and officers of the society, subject to the control of the board of directors," and amended the bylaws to correspond.

The directors of the society did me the honor of electing me to this office, also electing me a member of their board. I accepted the chairmanship on condition that I should have a free hand as to measures and men. As a response to this, the chief executive officers of the society voluntarily placed their resignations in my hands to be acted upon or not hereafter, in accordance with what might appear to be the best interests of the society and its policyholders. * *

The Equitable Society has been severely tested, and the ordeal has revealed to the world its strength and prosperity with an emphasis which could never have been shown as significantly by any ordinary method of demonstration. The fears of timid policyholders have been aroused and many have been alarmed by exaggerated or misleading newspaper articles. But it is astonishing that the increase in lapses has been so small. The steadfastness of the body of the society's policyholders under the strain to which they have been subjected has been as remarkable as it has been gratifying. All this furnishes the highest tribute to the excellence of the society's condition and to the zeal and loyalty of its agents.

The field force of the society is to be congratulated on what is believed to be the complete solution of the difficulties which have temporarily hampered them and arrested their progress in competing for business. You will be kept thoroughly posted in reference to future developments.

Knowing that every agent is doing everything in his power to take care of the business already on the books, I need not dwell on that point. Every effort will be made to develop the business along sound lines for the benefit of policyholders and agents alike, and I pledge you my most cordial co-operation in carrying on this work. Very sincerely yours, PAUL MORTON,

Chairman of the Board of Directors.

The three trustees held a meeting at the Hotel Buckingham, New York, on Thursday afternoon, all being present, with Elihu Root and Paul D. Cravath of counsel. Mr. Ryan was sent for and executed a trust agreement, the text of which appears below. There are also published Mr. Ryan's letter announcing the terms on which he purchased the Hyde stock and the appeal of the trustees to the policyholders of the company.

MR. RYAN'S STATEMENT REGARDING THE PURCHASE OF THE HYDE STOCK.

To the Trustees:

DEAR SIRS—In order that every possible basis for mystery may be eliminated, I am anxious that you should be fully apprised of every circumstance regarding my purchase of a majority (502 shares) of the capital stock of the Equitable Life Assurance Society. I am, therefore, writing this letter to place before you the only facts regarding the transaction which have not been made public.

1. I am the sole owner of the 502 shares of the stock of the Equitable Society which I purchased from Mr. Hyde, and no other person or interest has contributed, or has the right to contribute, a single dollar toward the purchase of the stock. The policyholders with whom I conferred in making the purchase have had no connection with the management of the Equitable Society, and their connection with the transaction was entirely advisory. I am under no obligation to any living man with respect to my action as the owner of this stock.

2. The amount which I paid for the 502 shares of stock purchased from Mr. Hyde is $2,500,000.

You are at liberty to make this letter public if you so desire.

Very truly yours, THOMAS F. RYAN.

THE AGREEMENT BETWEEN MR. RYAN AND THE TRUSTEES.

An agreement made in the city of New York, in the State of New York, this fifteenth day of June, one thousand nine hundred and five, between Thomas F. Ryan, of the first part, and Grover Cleveland, Morgan J. O'Brien and George Westinghouse (hereinafter called the "Trustees"), of the second part.

Whereas, The Equitable Life Assurance Society of the United States (hereinafter called the "Society") is a corporation of the State of New York having a full paid capital stock of 1,000 shares of the par value of $100 each, of which 502 shares are held by the party of the first part; and

Whereas, The corporate powers of the society are vested by its charter in a board of directors consisting of fifty-two persons, divided into four classes of thirteen directors each, each class serving for a term of four years, so that thirteen directors are elected at each annual election of the society; and

Whereas, The directors of the society have adopted a plan for the mutualization of the society by so amending its charter that of the fifty-two directors of the society twenty-eight should be elected by the policyholders and twenty-four by the stockholders; and

Whereas, The consummation of said plan of mutualization and formal action thereon by the Superintendent of Insurance of the State of New York have hitherto been prevented by litigation, and in order to effect so far as practicable, and without further delay, the result sought to be attained by such plan of mutualization, the party of the first part has entered into this agreement with the trustees:

Now, this agreement witnesseth as follows:

First—The party of the first part hereby transfers to the trustees said 502 shares of the capital stock of the society for the purpose of vesting in the trustees the right to vote thereon for the term and upon the terms and conditions stated in this agreement. The existing certificates for said stock shall be surrendered and canceled and certificates therefor shall be issued to the trustees, in which certificates it shall appear that the same are issued pursuant to this agreement, and that fact shall also be noted in the entry of the trustees as owners of such stock in the proper books of the society.

Second—The trustees are exclusively authorized to exercise the voting power on the stock held under the agreement for the election of directors of the society, and shall, at every annual election of directors of the society, so vote on said stock that out of every thirteen persons for whom such vote shall be cast seven shall be policyholders of the society, selected in accordance with the wishes of the policyholders of the society, expressed as hereinafter provided, and the remaining six directors shall be selected by the trustees in their uncontrolled discretion, to the end that of the entire fifty-two directors twenty-eight shall be policyholders of the society, selected by or on behalf of the policyholders, and twenty-four shall be lawfully eligible persons selected by the trustees in their sole discretion. The wishes of the policyholders in respect of the directors to be voted for by the trustees shall be expressed in the following manner: In each year, at any time prior to the first day of November, any holder of any policy which shall have been in force for one year or more may send to the trustees, at the Equitable Building, No. 120 Broadway, New York city, a written request, designating policyholders of the society to the number of not more than seven-thirteenths of the number of directors to be elected at the next ensuing annual election of directors, for whose election as directors such policyholder desires the trustees to vote at such annual election, or requesting the trustees to exercise their discretion on his behalf in the selection of policyholders to act as such directors.

Third—The trustees are authorized, in respect of said stock, to take, in their discretion, by vote thereon or otherwise, any action necessary or proper to effect the consummation of said plan for the mutualization of the society, by securing to the policyholders the right to elect directly twenty-eight of the fifty-two directors of the society, or a like proportion of the entire number of directors of which the board of directors shall from time to time consist.

Fourth—In case said plan of mutualization shall become operative and the policyholders shall become entitled to vote directly for twenty-eight directors of the society out of an aggregate number of fifty-two directors, or a like proportion of any other number of which the board of directors may from time to time consist, then the trustees, in respect of the stock held under this agreement, shall continue to vote for such lawfully eligible persons to be the remaining directors as they shall, in their uncontrolled discretion, select.

Fifth—In case of vacancies in the board of directors, due to resignation, death or other cause, the trustees may make recommendations to the directors of the society as to the persons to be elected to fill such vacancies, to the end that the purposes of this agreement may be promptly and effectually accomplished.

Sixth—No vote shall be cast upon said stock for any purpose except with the unanimous approval of the trustees, but the trustees may empower any one of their number actually to cast their vote.

Seventh—Any trustee may at any time resign by delivering to the other trustees his resignation in writing. In case of the death or resignation of any trustee, the vacancy shall forthwith be filled by an appointment made in writing by the remaining trustees. The term "trustees" whenever used herein shall include the parties of the second part, and their successors as appointed.

Eighth—The party of the first part shall be entitled to the dividends on the stock deposited by him under this agreement.

Ninth—This agreement shall continue in force for the full period authorized by Section 20 of the General Corporation Law of the State of New York, viz., five years from the date hereof. It shall be continued hereafter so long as the trustees shall deem advisable, and the party of the first part hereby agrees that, upon the expiration of any period of five years, he will, upon the request of the trustees, execute an instrument continuing, for a further period of five years, this agreement and the powers of the trustees hereunder, including said power to require an extension hereof. This agreement may, however, be terminated by the trustees in their discretion whenever in their opinion its purposes have been accomplished, or for any reason its termination is, in their opinion, advisable.

Tenth—Every other stockholder of the society may transfer his stock to the trustees, to be held subject to the provisions of this agreement, and thereupon may participate in the terms, conditions and privileges thereof.

In witness whereof, the parties hereto have set their hands unto five originals hereof the day and year first above written.

THOMAS F. RYAN,
GROVER CLEVELAND,
MORGAN J. O'BRIEN,
GEORGE WESTINGHOUSE.

In presence of Elihu Root, Paul D. Cravath.

APPEAL OF THE TRUSTEES TO THE POLICYHOLDERS.

NEW YORK, June 16, 1905.

To Policyholders in the Equitable Life Assurance Society of the United States:

We, the undersigned, have assumed the duties created by a trust agreement executed by Thomas F. Ryan whereby a majority of the stock of the Equitable Life Assurance Society has been placed in our hands as trustees for the purpose of voting on such stock for directors of said society.

It is provided in the instrument transferring the stock to us that we shall vote for seven out of the thirteen directors to be chosen annually from the holders of policies of insurance in said society, and that these shall be designated by an expression of their choice on the part of the body of all policyholders whose policies have been in force at least one year. The selection of the six remaining directors to be elected each year is left to our discretion and judgment as trustees. This plan will result in finally giving to policyholders the privilege of choosing twenty-eight of the fifty-two persons who will constitute the board of directors.

It is also provided by said instrument of transfer, as a means of informing us of the choice which the policyholders may make of the directors allotted to their selection, that said policyholders shall express their wishes to us on this subject by sending to our address annually before the first day of November at the office of the Equitable Society, 120 Broadway, New York, a written designation of the policyholders they desire to have elected as directors.

We especially request all policyholders entitled to exercise this privilege that they make their wishes known to us within the time and in the manner mentioned. In order that the plan inaugurated for their policyholding directorship may speedily reach the numerical proportion of the entire board, which is contemplated, we have determined at an early date to recommend policyholders to be elected by the board to fill existing vacancies. We therefore urge policyholders to at once notify us of their preferences in regard to these vacancies.

The trustees hope they will receive a very general response to this invitation.

GROVER CLEVELAND, Chairman;
MORGAN J. O'BRIEN,
GEORGE WESTINGHOUSE, Trustees.

Superintendent Hendricks and his assistants were busily engaged during the week preparing the report of the investigation of the affairs of the company by the department, and it is expected to be ready for publication next week.

Fire Insurance Business in Texas in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle.	$472,805	$8,064	.....
Ætna, Hartford	15,770,228	247,294	$108,872
Agricultural, Watertown	649,800	10,600	1,140
American, Boston	1,923,834	29,560	5,265
American Central, St. Louis	5,523,291	97,376	48,589
Anchor Fire, Dayton	1,317,105	28,768	21,497
Armenia, Pittsburgh	135,412	3,502	1,174
Assurance Co. of America, N. Y.	2,288,112	30,426	13,674
Atlanta Birmingham, Mobile	1,564,770	40,840	10,747
Atlas, London	1,556,767	27,418	8,771
Austin, Austin	4,485,709	82,246	32,029
British America, Toronto	1,516,081	28,857	17,720
Caledonian, Edinburgh	1,094,998	19,428	1,216
Citizens, St. Louis	2,840,577	49,888	27,368
Commercial Union, London	5,540,903	109,898	69,051
Commonwealth, Houston	3,949,630	63,694	14,193
Connecticut Fire, Hartford	3,833,000	69,767	31,421
Continental, New York	7,403,168	131,890	46,895
Federal, Jersey City	1,777,828	25,423	3,512
Fire Association, Philadelphia	10,485,681	212,978	100,703
Fireman's Fund, San Francisco	8,434,192	119,675	77,550
Georgia Home, Atlanta	3,994,877	64,133	29,787
German, Freeport	9,916,009	147,308	65,911
German Alliance, New York	2,491,976	50,339	33,457
German American, New York	10,309,855	132,672	70,469
Germania Fire, New York	2,780,535	51,682	31,922
Glens Falls, Glens Falls	2,975,419	26,968	10,004
Globe and Rutgers Fire, N. Y.	1,303,157	44,134	25,262
Hamburg-Bremen, Hamburg	3,356,977	66,088	33,754
Hanover Fire, New York	4,225,517	53,065	19,012
Hartford Fire, Hartford	28,619,477	468,693	235,954
Home, New York	15,304,506	200,765	105,992
Home F. and M., San Francisco	1,682,649	33,918	13,525
Houston F. and M., Houston	2,887,456	29,140	10,660
Indemnity Fire, New York	596,300	10,484	1,569
Indianapolis Fire, Indianapolis	229,467	4,450	4,143
Insurance Co. of North America	5,901,318	108,923	66,250
Liv. and Lon. and Globe, Liverpool	30,857,921	410,532	125,223
Liv. and Lon. and Globe, New York.	3,810,960	43,428	10,980
London and Lancashire, Liverpool	3,179,730	60,132	16,300
London Assurance Corporation	951,035	18,656	6,180
Mercantile Fire and Marine, Boston.	971,190	19,521	9,236
Michigan Fire and Marine, Detroit	763,387	15,917	970
Milwaukee Mechanics, Milwaukee	4,300,048	83,024	24,244
National Fire, Hartford	6,472,531	109,451	50,350
National Union, Pittsburgh	2,623,166	40,200	13,131
New Brunswick, New Brunswick	172,825	2,162	426
New Hampshire Fire, Manchester	5,575,652	113,392	45,551
New York Fire, New York	446,871	5,628	2,126
Niagara Fire, New York	4,377,842	81,096	31,757
North British and Mercantile, London.	8,641,090	117,515	34,996
N. British and Mercantile, N. Y.	436,424	7,451	5,509
Northern, London	5,376,395	67,151	35,254
North River, New York	2,286,519	33,480	11,663
Norwich Union, Norwich	2,664,528	48,724	23,248
Orient, Hartford	7,838,801	72,531	33,891
Palatine, London	1,558,643	30,542	25,342
Pelican, New York	409,424	8,180	4,643
Pennsylvania Fire, Philadelphia	5,568,000	116,590	68,339
Phenix, Brooklyn	8,812,055	132,069	63,629
Phœnix, Hartford	10,647,223	171,442	68,676
Phœnix, London	3,921,849	84,626	65,192
Providence Washington, Providence	5,231,499	61,343	33,778
Prussian National, Stettin	3,575,250	45,128	20,285
Queen, New York	7,099,574	94,236	41,375
Rochester German, New York	2,140,929	40,682	14,021
Royal, Liverpool	12,376,867	165,113	65,122
St. Paul Fire and Marine, St. Paul	6,168,436	72,485	42,396
Scottish Union and Nat., Edinburgh	9,102,180	189,883	96,941
Southern, New Orleans	1,477,901	30,857	13,432
Springfield F. and M., Springfield	7,648,568	84,938	41,890
Sun, London	3,164,630	57,964	25,206
Sun, New Orleans	1,677,048	35,968	23,778
Teutonia, New Orleans	1,981,465	34,661	9,463
Toledo Fire and Marine, Toledo, O.	7,500	145	.....
Traders, Chicago	3,786,903	62,411	40,660
United States Fire, New York	1,637,373	30,620	14,782
Virginia F. and M., Richmond	2,107,268	39,911	24,443
Virginia State, Richmond	882,315	23,644	13,265
Westchester Fire, New York	3,243,364	59,010	21,653
Western, Toronto	7,811,119	66,148	32,744
Williamsburgh City Fire, New York.	3,325,444	57,279	19,399
Totals, 1904	$386,229,128	$6,076,220	$2,770,547
Comparison with Business of Previous Years.			
1903	$323,492,853	$5,561,641	$2,325,649
1902	305,668,882	5,314,660	2,832,671
1901	342,969,722	4,906,398	3,122,727
1900	304,712,459	4,300,069	2,064,732
1899	277,853,544	4,289,804	2,547,431
1898	262,381,665	3,974,438	2,480,185
1897	224,418,949	4,279,129	2,092,319
1896	215,976,010	3,575,846	2,631,947
1895	198,613,042	3,589,867	1,892,881
1894	179,937,487	3,217,273	2,332,294
1893	206,596,810	3,658,308	2,465,783
1892	210,487,358	3,477,506	2,513,245
1891	198,268,974	3,352,397	2,580,959
1880 to 1890	1,384,492,999	23,135,204	14,433,738

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 55.4. The percentage in 1904 was 45.6.

Fire Insurance Business in South Dakota in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$1,257,580	$18,585	$8,555
American Fire, Philadelphia	9,475	48	.....
British America, Toronto	223,385	3,712	625
Citizens, St. Louis	244,100	3,739	768
Columbia Fire, Lincoln	451,128	5,915	.....
Commercial Union, London	1,247,874	21,585	8,564
Connecticut Fire, Hartford	756,400	11,803	4,604
Consolidated F. and M., St. Paul	1,040,908	14,429	1,837
Continental, New York	2,301,228	33,341	8,090
Delaware, Philadelphia	10,500	154	.....
Fire Association of Philadelphia	861,895	15,487	4,285
Fireman's Fund, San Francisco	509,885	7,966	2,378
German, Freeport	3,708,374	44,044	8,124
German Alliance, New York	245,295	4,109	3,248
German American, New York	1,791,145	28,122	11,354
Germania Fire, New York	467,901	7,207	2,993
Glens Falls, Glens Falls	342,123	4,058	1,456
Hanover Fire, New York	612,075	9,722	7,093
Hartford Fire, Hartford	3,214,128	53,378	16,407
Home, New York	2,619,186	38,501	8,031
Indemnity Fire, New York	106,940	1,719	1,099
Indianapolis Fire, Indianapolis	39,930	870	1,163
Insurance Co. of North America	1,539,492	26,789	16,057
Law Union and Crown, Liverpool	73,352	1,299	361
Liver. and London and Globe, Liv	1,148,859	18,175	15,254
Liver. and London and Globe, N. Y.	15,750	191	.....
London and Lancashire, Liverpool	358,032	5,173	1,051
Milwaukee Mechanics, Milwaukee	486,611	7,137	880
National Fire, Hartford	1,421,546	21,522	7,946
New York Fire, New York	2,500	39	.....
Niagara Fire, New York	561,709	9,497	3,029
N. British and Mercantile, London	681,287	10,161	722
Northern, London	396,237	6,420	2,986
Northwestern F. and M., S. Dak.	356,832	11,850	8,344
Northwestern National, Milwaukee	791,985	7,825	2,826
Norwich Union, Norwich	460,570	8,322	5,008
Orient, Hartford	299,789	4,528	1,794
Palatine, London	369,720	7,412	2,207
Pelican, New York	23,500	315	.....
Pennsylvania Fire, Philadelphia	718,000	12,277	6,019
Phenix, Brooklyn	2,462,657	42,670	18,013
Phœnix, Hartford	846,467	12,206	3,629
Phœnix, London	363,347	5,863	680
Providence Washington, Providence	205,699	2,595	1,582
Queen, New York	517,313	8,258	2,553
Royal, Liverpool	696,087	10,821	7,720
St. Paul Fire and Marine, St. Paul	5,367,723	75,990	23,745
Springfield F. and M., Springfield	951,158	14,625	5,000
Sun, London	160,470	1,909	252
Traders, Chicago	493,335	8,336	2,423
Union, London	127,571	3,092	3,145
Western, Toronto	358,347	5,680	776
Totals, 1904	$44,317,300	$679,471	$244,676
Comparison with Business of Previous Years.			
1903	$40,727,054	$669,238	$251,709
1902	37,368,116	618,787	230,910
1901	30,838,747	503,358	228,273
1900	28,752,541	458,212	408,360
1899	27,217,678	435,685	229,664
1898	22,199,676	403,239	191,966
1897	21,302,887	382,237	144,939
1896	17,577,573	360,648	185,395
1895	17,911,137	368,714	209,397
1894	18,745,334	396,047	186,753
1893	22,572,373	474,769	207,249
1892	17,962,955	424,677	133,434
1891	24,783,643	487,688	217,003
1890	22,304,919	422,061	206,867

The percentage of losses paid to premiums received in the fifteen years embraced in the above table is 46.2. The percentage for 1904 was 36.0.

Fire Insurance Business in Pennsylvania in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle.	$6,821,262	$95,375	$36,130
Ætna, Hartford	41,526,364	521,838	211,694
Agricultural, Watertown	15,684,800	171,599	64,605
Albany, Albany	2,404,972	33,774	16,383
Allemannia Fire, Pittsburgh	13,476,779	178,019	83,204
Alliance, London	1,324,847	13,005	2,178
American, Boston	3,959,000	45,911	20,027
American, Newark	6,903,075	81,235	22,300
American Central, St. Louis	7,680,675	107,183	42,639
American Fire, Philadelphia	24,896,483	296,665	124,531
Anchor Fire, Cincinnati	1,917,230	44,651	22,403
Armenia, Philadelphia	2,565,934	48,731	14,878
Assurance Company, New York	2,450,955	29,281	23,719
Atlas, London	6,940,523	92,552	21,714
Ben Franklin, Allegheny	11,790,949	157,604	64,532
Birmingham Fire, Birmingham	2,577,771	32,531	13,072
Boston, Boston	6,961,953	98,697	41,051

Companies.	Risks Written.	Premiums Received.	Losses Paid.
British America, Toronto	$6,877,636	$92,383	$31,872
British American, New York	869,995	11,639	3,315
Buffalo Commercial, Buffalo	1,292,425	16,235	3,574
Buffalo German, Buffalo	1,938,566	23,639	4,325
Caledonian, Edinburgh	6,315,454	83,544	37,620
Caledonian American, New York	409,297	5,705	2,378
Camden Fire, Camden	6,513,284	84,087	27,339
Capital Fire, Manchester	2,847,631	36,919	10,759
Citizens, St. Louis	8,521,775	136,163	68,835
City, Pittsburgh	1,635,127	16,615	6,550
Cologne Reinsurance, Cologne	4,645,172	63,620	17,719
Colonial, Washington	1,511,342	20,886	8,076
Colonial, New York	2,910,380	44,440	23,309
Commerce, New York	1,738,666	18,491	3,243
Commonwealth, New York	2,995,223	27,561	2,758
Commercial Union, London	12,965,580	162,125	70,354
Commercial Union, New York	912,518	12,236	3,273
Concordia, Milwaukee	2,519,637	36,361	14,172
Conestoga Fire, Lancaster	1,525,159	23,573	9,825
Connecticut Fire, Hartford	14,050,600	199,519	90,412
Continental, New York	27,751,548	372,252	143,726
Delaware, Philadelphia	12,483,717	152,884	61,588
Dutchess, Poughkeepsie	2,777,682	43,055	18,383
Eastern Fire, Atlantic City	1,239,665	19,010	3,508
Empire City Fire, New York	1,628,553	18,415	5,770
Equitable F. and M., Providence	4,803,203	57,558	20,060
Farmers and Merchants, Lincoln	1,072,477	14,663	1,733
Farmers Fire, York	13,548,099	193,222	93,110
Federal, Jersey City	3,090,644	29,120	6,722
Fire Association, Philadelphia	38,180,891	447,206	146,720
Fire Ins. Co. Co. of Philadelphia	3,963,069	49,850	25,221
Fireman's Fund, San Francisco	16,233,801	203,463	86,546
Firemen's, Newark	9,103,994	98,734	34,915
Franklin Fire, Philadelphia	10,210,187	135,767	75,304
German, Freeport	17,051,405	185,574	69,405
German, Peoria	42,707,779	57,212	13,743
German Alliance, New York	2,546,652	34,680	16,072
German American, Baltimore	2,032,840	31,716	9,972
German American, New York	31,239,989	380,566	176,156
German American, Philadelphia	4,504,924	61,141	22,338
German Fire, Pittsburgh	7,916,813	108,360	25,285
German Fire, Wheeling	1,000,801	14,758	2,675
German National, Chicago	3,768,461	52,551	9,823
Germania Fire, New York	20,323,456	222,640	54,273
Girard Fire and Marine, Philadelphia	10,594,701	92,553	37,265
Glens Falls, Glens Falls	10,061,919	99,414	34,746
Globe and Rutgers Fire, New York	10,693,328	189,460	80,393
Granite State, Manchester	2,307,797	29,903	9,837
Hamburg Bremen, Hamburg	9,373,726	131,405	45,209
Hanover Fire, New York	13,107,448	179,541	72,063
Hartford Fire, Hartford	56,842,563	724,495	287,535
Home, New York	69,974,543	689,386	292,522
Home F. and M., San Francisco	6,839,408	88,180	24,651
Humboldt Fire, Philadelphia	11,113,493	119,627	37,687
Indemnity Fire, New York	1,458,833	19,722	7,641
India Mutual, Boston	2,788,078	36,963	19,453
Indianapolis Fire, Indianapolis	1,855,900	31,531	16,197
Insurance Co. of N. America	53,524,148	684,721	268,417
Ins. Co. State of Pennsylvania	3,302,811	47,126	14,359
Jefferson Fire, Philadelphia	2,967,917	41,073	19,685
Law Union and Crown, Liverpool	1,790,096	15,691	4,140
Liv. and Lon. and Globe, Liverpool	33,333,706	477,318	241,384
London and Lancashire, Liverpool	6,572,011	75,036	31,674
London Assurance Corporation	7,170,804	90,641	37,363
Lumbermen's, Philadelphia	4,100,219	40,793	16,585
Mechanics, Philadelphia	3,938,675	49,627	15,537
Mechanics and Traders, New Orleans	2,330,647	30,975	9,022
Mercantile F. and M., Boston	1,557,344	21,075	4,504
Michigan Fire and Marine, Detroit	1,749,013	24,299	9,028
Millers National, Chicago	1,545,163	22,906	14,196
Milwaukee Fire, Milwaukee	2,638,804	35,136	6,401
Milwaukee Mechanics, Milwaukee	7,346,281	95,938	35,154
Monongahela, Philadelphia	1,903,118	28,661	5,362
Moscow, St. Petersburg	5,130,762	66,840	16,294
Nassau Fire, New York	2,546,764	28,339	7,388
National, Allegheny	10,872,088	107,851	36,205
National, Dublin	4,046,270	64,251	40,030
National Fire, Hartford	26,798,159	358,559	119,553
National Union, Philadelphia	13,911,441	173,070	50,256
Newark Fire, Newark	1,464,904	15,135	1,031
New Brunswick Fire, N. Brunswick	314,895	4,967	580
New Hampshire Fire, Manchester	13,077,005	158,807	80,449
New York Fire, New York	3,844,147	40,030	10,525
Niagara Fire, New York	10,377,800	140,662	49,789
N. British and Mercantile, London	25,125,243	296,316	108,081
North British and Mercantile, N. Y.	926,296	8,673	1,076
Northern, New York	3,677,099	49,012	15,792
Northern, London	19,831,472	190,162	66,917
North German Fire, New York	1,229,061	14,027	3,630
North River, New York	4,503,500	64,490	15,896
Northwestern National, Milwaukee	12,003,916	114,246	31,394
Norwich Union, Norwich	11,493,970	152,875	71,376
Orient, Hartford	5,126,259	48,994	15,897
Palatine, London	5,250,877	64,283	32,052
Pelican, New York	1,209,010	17,258	6,130
Pennsylvania Fire, Philadelphia	35,214,000	356,369	182,706
Petersburgh S. & I., Petersburgh	998,282	13,121	466
Phenix, Brooklyn	17,514,226	240,062	95,821
Phœnix, Hartford	23,374,278	298,913	91,697
Phœnix, London	14,303,230	245,367	118,183
Pittsburgh, Pittsburgh	2,471,972	32,125	11,732
Providence Washington, Providence	11,597,399	140,181	57,353
Prussian National, Stettin	7,919,496	73,474	20,141
Queen, New York	14,304,163	180,838	65,891
Reliance, Philadelphia	5,662,917	61,528	31,601
Rochester German, Rochester	4,452,538	61,564	29,060
Royal, Liverpool	32,270,491	447,343	184,222
Royal Exchange, London	$12,205,345	$132,311	$34,690
St. Paul Fire and Marine, St. Paul	10,778,198	133,801	45,881
Salamandra, St. Petersburg	6,122,872	94,049	39,699
Scottish Union and Nat., Edinburgh	9,369,862	135,038	49,234
Security, New Haven	7,014,839	76,801	23,142
Skandia, Stockholm	4,254,038	56,555	21,228
Springfield F. and M., Springfield	22,138,875	320,077	119,938
Spring Garden, Philadelphia	10,071,305	127,334	34,163
Standard Fire, Newark	6,180,661	98,794	32,624
State Fire, Liverpool	1,263,157	11,753	4,075
Stuyvesant, New York	2,876,028	36,818	8,971
Sun, London	8,793,294	138,118	45,695
Svea, Gothenburg	3,508,640	52,436	16,309
Teutonia, New Orleans	3,735,697	47,401	17,477
Teutonia, Allegheny City	11,528,686	182,672	89,114
Toledo Fire and Marine, Ohio	610,031	12,914	2,406
Traders, Chicago	6,163,138	85,631	32,510
Union, Philadelphia	4,168,922	41,812	15,498
Union, Pittsburgh	3,095,446	27,069	12,671
Union, London	5,806,386	47,926	10,464
United Firemen's, Philadelphia	8,072,223	83,530	29,603
United States Fire, New York	3,117,475	33,300	6,559
Victoria Fire, New York	666,876	7,456	68
Virginia State, Richmond	476,436	6,934	1,943
Westchester Fire, New York	13,333,165	184,924	79,194
Western, Philadelphia	8,824,607	99,157	45,296
Western, Toronto	10,901,701	132,892	48,588
Williamsburgh City Fire, New York	6,446,184	80,264	22,578
Totals, 1904	$1,409,209,290	$17,179,484	$6,635,667
Comparison With Business of Previous Years.			
1903	$1,309,523,377	$16,839,302	$6,628,442
1902	1,247,629,227	15,479,245	7,216,036
1901	1,197,408,311	13,703,465	6,851,900
1900	1,155,766,324	12,778,513	9,051,948
1899	1,097,119,021	11,519,276	7,766,127
1898	1,033,516,858	11,360,040	7,074,432
1897	1,004,626,158	11,061,114	6,467,602
1896	949,432,640	10,377,457	5,268,914
1895	937,277,624	10,265,067	5,094,515
1894	886,271,730	9,858,872	4,874,744
1893	938,403,423	10,125,807	6,057,111
1892	934,832,895	10,029,557	6,110,434
1891	881,296,334	9,926,961	5,746,927
1880 to 1890	7,471,077,620	77,057,877	44,646,254

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 52.1. The percentage in 1904 was 38.6.

Fire Insurance Business in Minnesota in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$1,190,745	$19,958	$5,649
Aetna, Hartford	8,861,325	146,377	78,476
Agricultural, Watertown	2,491,900	34,025	13,319
Allemannia Fire, Pittsburgh	668,427	10,706	6,266
American, Boston	294,327	5,022	5,970
American, Newark	5,484,986	85,337	46,475
American Central, St. Louis	2,731,111	39,954	22,491
American Fire, Philadelphia	4,131,223	48,910	31,067
American Lloyds, New York	825,802	10,584	5,897
Anchor Fire, Ohio	187,548	5,689	5,581
Assurance Co. of Am., New York	968,073	10,307	14,294
Atlanta Birmingham, Atlanta	280,908	4,638	8
Atlas, London	2,148,242	29,693	5,965
British America, Toronto	1,983,904	34,852	15,188
British American, New York	496,817	9,239	4,168
Buffalo Commercial, Buffalo	557,340	6,849	7,641
Buffalo German, Buffalo	1,625,729	17,487	11,552
Caledonian, Edinburgh	1,078,917	16,141	8,169
Camden Fire, Camden	1,745,091	29,252	8,085
Capital Fire, Concord	1,881,369	27,978	18,690
Citizens, St. Louis	2,890,149	50,813	18,368
Colonial, New York	854,056	15,787	7,596
Commerce, Albany	788,418	8,926	6,229
Commercial Union, London	4,093,841	69,651	33,114
Commercial Union, New York	511,701	8,286	883
Commonwealth, New York	1,366,844	13,233	2,092
Concordia, Milwaukee	1,752,297	25,390	12,008
Connecticut Fire, Hartford	5,567,800	82,876	51,311
Consolidated F. and M., Albert Lea	4,409,252	71,813	36,878
Continental, New York	31,067,044	222,611	86,574
Delaware, Philadelphia	1,319,337	17,616	10,596
Detroit Fire and Marine, Detroit	2,703,861	31,858	27,276
Dubuque F. and M., Dubuque	1,160,340	16,815	5,375
Equitable F. and M., Providence	2,292,513	33,816	14,464
Farmers Fire, York, Pa	887,017	13,629	4,244
Farmers and Merchants, Omaha	1,117,424	16,800	6,133
Federal, Jersey City	1,232,950	14,177	627
Fire Association, Philadelphia	5,222,495	92,271	45,291
Fire Ins. Co. of Co. of Phila	2,174,344	28,686	11,478
Fireman's Fund, San Francisco	6,521,586	106,550	53,189
Firemen's, Newark	2,245,004	26,918	8,464
Franklin Fire, Philadelphia	2,012,586	38,404	16,185
German, Freeport	9,272,214	110,487	39,374
German Fire, Peoria	1,286,478	23,175	13,201
German Alliance, New York	1,903,111	31,096	10,165

Companies.	Risks Written.	Premiums Received.	Losses Paid.
German-American, New York	$7,023,244	$114,031	$59,212
German Fire, Pittsburgh	1,891,732	22,973	11,736
German National, Chicago	1,495,934	22,131	15,026
Germania Fire, New York	5,981,436	79,399	42,724
Girard F. and M., Philadelphia	1,572,169	21,255	10,844
Glens Falls, Glens Falls	2,019,177	19,139	10,045
Globe and Rutgers Fire, New York	1,351,653	26,354	1,673
Great Western Lloyds, New York	285,295	3,324	4,056
Hamburg-Bremen, Hamburg	2,352,173	39,318	23,031
Hanover Fire, New York	4,707,847	81,043	32,874
Hartford Fire, Hartford	17,286,660	297,498	151,302
Home, New York	15,154,868	223,960	83,441
Home F. and M., San Francisco	2,161,209	35,017	12,895
Indemnity Fire, New York	414,367	8,367	7,840
Indianapolis Fire, Indianapolis	694,310	14,251	1,463
Ins. Co. of N. America, Philadelphia	8,675,460	147,055	62,526
Ins. Co. of State of Illinois	2,237,008	32,227	29,556
Ins. Co. of State of Pennsylvania	777,402	14,730	337
Jefferson Fire, Philadelphia	255,435	3,709	1
Law Union and Crown, London	932,828	9,881	787
Liv., Lon. and Globe, Liverpool	8,066,336	141,724	75,699
Liv. and Lon. and Globe, New York	542,599	8,814	6,938
London and Lancashire, Liverpool	2,694,796	40,394	22,868
London Assurance Corporation	1,884,575	27,378	15,612
Lumbermen's, Philadelphia	1,045,719	12,757	1,839
Mechanics, Philadelphia	2,180,405	20,146	13,076
Mercantile Fire and Marine, Boston	325,798	5,713	2,522
Metropolitan, Chicago	187,043	3,587	1,071
Michigan Fire and Marine, Detroit	701,240	10,836	5,180
Milwaukee Fire, Milwaukee	629,537	9,482	4,504
Milwaukee Mechanics, Milwaukee	2,772,867	39,788	19,785
Nassau Fire, Brooklyn	507,741	8,651	5,115
National, Allegheny	395,535	5,851	3,711
National, Dublin	608,285	12,129	9,040
National Fire, Hartford	6,054,787	87,733	37,098
National Union, Pittsburgh	2,178,469	26,357	11,783
Newark Fire, Newark	430,325	6,399	2,634
New Brunswick F., New Brunswick	44,000	677	.....
New Hampshire Fire, Manchester	2,355,363	29,037	14,055
New York Fire, New York	769,637	9,567	5,468
Niagara Fire, New York	2,082,532	36,191	20,343
N. British and Mercantile, London	5,009,735	66,976	46,015
Northern, New York	621,946	10,642	3,425
Northern, London	4,738,241	80,776	36,493
North German Fire, New York	1,120,310	19,226	6,096
North River Fire, New York	1,471,034	25,821	6,238
Northwestern F. and M., Grand Fork	1,194,974	21,729	11,814
Northwestern Nat., Milwaukee	7,287,821	71,948	36,501
Norwich Union, Norwich	3,426,768	63,835	36,227
Orient, Hartford	2,865,168	39,892	22,723
Palatine, London	1,597,533	28,141	5,009
Pelican, New York	625,275	10,374	5,290
Pennsylvania Fire, Philadelphia	3,212,000	52,711	36,633
Phenix, Brooklyn	8,243,716	123,364	58,632
Phœnix, Hartford	7,970,968	105,499	45,038
Phœnix, London	2,301,666	44,408	32,972
Providence Washington, Providence	3,301,129	39,438	33,857
Prussian National, Stettin	1,783,746	17,604	11,308
Queen, New York	4,287,473	67,722	35,232
Reliance, Philadelphia	1,315,600	18,591	10,108
Rochester German, Rochester	2,802,546	43,551	20,702
Royal, Liverpool	6,361,818	101,215	50,312
Royal Exchange, London	2,549,095	31,433	11,998
St. Paul Fire and Marine, St. Paul	27,368,671	289,877	143,608
Scottish U. and N., Edinburgh	2,441,384	40,486	27,386
Security, New Haven	4,308,455	46,037	29,799
Springfield F. and M., Springfield	6,731,488	116,997	47,398
Spring Garden, Philadelphia	2,907,067	45,195	20,234
State, Liverpool	629,493	6,789	360
Stuyvesant Fire, New York	440,348	5,854	1,006
Sun, London	3,644,807	53,492	10,739
Svea, Gothenburg	1,269,674	21,252	16,813
Teutonia, New Orleans	618,800	7,791	6,360
Toledo Fire and Marine, Toledo	116,700	3,737	.....
Traders, Chicago	1,981,792	32,069	21,896
Union, Philadelphia	1,350,303	13,501	13,628
Union, London	2,427,516	23,189	7,326
United Firemen's, Philadelphia	930,073	13,478	5,671
United States Fire, New York	495,795	5,943	1,886
Westchester Fire, New York	2,745,271	34,826	20,240
Western, Philadelphia	1,339,960	14,885	4,809
Western, Toronto	3,699,793	68,262	27,267
Williamsburgh City Fire, New York	1,479,783	21,280	11,668
Winona Fire, Winona	3,288,449	41,264	20,938
Totals, 1904	$392,318,426	$5,513,124	$2,677,404
Comparison with Business of Previous Years.			
1903	$349,647,036	$5,192,641	$1,800,667
1902	342,751,917	5,075,609	2,058,003
1901	337,305,563	4,540,720	2,038,284
1900	314,409,458	4,169,367	2,939,468
1899	299,513,933	3,708,596	2,048,642
1898	277,071,458	3,573,156	1,656,665
1897	250,484,755	3,488,640	1,579,619
1896	245,091,792	3,708,142	1,731,384
1895	232,667,335	3,637,130	1,842,306
1894	238,722,452	3,787,904	2,537,418
1893	263,848,977	3,862,249	3,179,494
1892	294,899,556	4,154,328	2,290,891
1891	244,178,283	3,481,054	2,276,646
1880 to 1890	1,874,583,169	26,750,095	16,083,574

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 55.2. The percentage in 1904 was 48.5.

Changes in the Official Staff of the Manhattan Life Insurance Company.

At the regular meeting of the board of directors of the Manhattan Life insurance company of New York, held on Tuesday last, the resignation of Mr. Jacob L. Halsey as vice president was accepted. The following elections were made:

Mr. William B. Lane, formerly second vice president, was promoted to vice president.

Mr. John H. Giffin, formerly secretary, was elected second vice president.

Mr. Morris W. Torrey was appointed secretary, retaining his present position of actuary.

Mr. Louis Linzmeyer, for many years chief clerk of the actuarial department and a member of the Actuarial Society, was appointed assistant actuary.

The retirement of Mr. Halsey was made the occasion of special reference at this meeting. Mr. Halsey's letter of resignation was as follows:

New York, May 13, 1905.

Henry B. Stokes, Esq., President of the Manhattan Life Insurance Company:

Dear Sir—I hereby tender my resignation of the office of vice president of the Manhattan Life insurance company, to take effect immediately. Having been connected with the company for over fifty years, during which time of service the company has received my undivided time and attention, this step is taken with much reluctance. After mature deliberation, however, I have concluded that I shall require in the future a greater amount of rest and leisure than is possible to me while retaining the office held so long, and while performing the active duties connected with that position. I feel myself at greater liberty to resign my office at the present time, as never before during my connection with the company have its affairs been in a better or sounder condition or its business more prosperous.

My interest in the company will be as keen as heretofore, and if relieved of the cares and duties of my office I shall be glad to render such service in the future or give such advice or assistance as I may be able and as the company may desire. I must request you therefore to transmit my resignation to the board of directors. Wishing the company continued prosperity, I remain,

Yours very truly,

J. L. Halsey.

In accepting Mr. Halsey's resignation the directors, on motion of Mr. E. A. Walton, adopted resolutions expressing on behalf of the company and themselves their full appreciation of the arduous, long continued and faithful services which he had rendered and of his loyalty to the interests of the policyholders and the company uniformly displayed in the performance of his official duties.

Mr. Halsey has been with the company since its organization in 1850. He was born in the city of New York August 18, 1828, and on April 1, 1846, began his life insurance career in the office of the Nautilus, now the New York Life insurance company. Two years later he became an employee of the American Mutual Life of New Haven, and in 1850 joined the then newly born Manhattan Life. He has been successively cashier, assistant secretary, secretary, first vice president and vice president. He will continue to act in the capacity of officer emeritus to the company.

The Inspection of Residences.

To what conditions does an inspector from the fire marshal's office give attention while inspecting residences? asks Fire Marshal Henry Davis, of Ohio.

The exterior dangers are from paintless siding or outhouses, decaying shingles or birds' nests at the eaves, any of which may be fired by sparks. The height and condition of chimneys are also noted. In the classification of fires all those originating from sparks, without reference to what kind of material they ignited, go as spark fires. During last year the number of them in Ohio was 666—nearly two for each day—and neglect of rubbish or rotten or unpainted wood, rather than the overcrowding of stoves or grates, is responsible for them.

If gas is used it is important that its odor be sniffed for while the nose is still fresh from the outer air; and the point at which the service pipe enters from the street should be examined to learn if it is properly enclosed, so as to prevent gas leaking from

the street main entering alongside it. This is important, because one-sixth of all gas pumped into mains escapes from them, and if it be under a pavement or frozen ground it follows the pipes into houses. Electric wires should not be placed where they are liable to contact with gas pipes.

Pipes, whether for smoke, steam or hot air, are a grave danger if close enough to any woodwork to char it, even superficially, and hot air pipes should have a sleeve where they pass through a ceiling.

Gas fixtures should be as much as 2½ feet below the ceiling or have above them a shield of tin which does not rest flat against wood. The double jointed swinging gas fixture is the most common danger in cellars.

Ashes are liable, especially if moist, to ignite spontaneously, because of the fine particles of coal they always contain or from being mixed with greasy rubbish.

A coal oil can should not be within 15 feet of any fire, and gasoline should not be kept in a cellar having a furnace.

Matches should be kept in iron, tin or stone receptacles having lids. Matches may ignite at any temperature above 110° Fahr., and that degree of heat may be caused by the focusing of the sun's rays, by an irregular window pane, a spherical paper weight, grandma's spectacles or a fish globe. Matches loose about the place may be lighted by concussion, or friction from falling bodies, or by being trodden upon. And, too, a match may be carried away and ignited by rats.

Closets should be examined for greasy or paint smeared rags, scraps of silk and other stuff liable to spontaneous combustion. This sort of rubbish is liable to be carried by rats or mice to a warm place for nest building, and there take fire spontaneously. A fire in a closet under a stair cuts off the avenue of escape.

Rubber connections for gas stoves are a constant source of serious danger. They may be slipped off the tube by moving the stove; by foot or broom or by a playing child, and suffocate those nearby, and are liable to dry and drop off next the stove, firing the floor. Gas stoves are often dangerously near woodwork and should always have metal under them.

Swinging gas jets should have but one joint and the movement should be limited by stops on each side, or they should have a globe or hood to protect the wall.

Will you not inspect your own home?

The Employers' Liability Assurance Corporation

(LIMITED),

OF LONDON, ENGLAND.

Total Available Resources, $6,816,020.00

$1,971,756.98 deposited in the United States for the benefit of United States Policyholders.

SAMUEL APPLETON, U. S. Manager and Attorney,
71 Kilby Street, Boston, Mass.

EDMUND DWIGHT, Resident Manager for New York State,
76 William Street, New York.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, Jr., Manager. T. A. RALSTON, Sub-Manager.

The Jefferson Fire and Marine Ins. Corporation

OF RICHMOND, VA.

Surplus Lines. **Capital, $100,000.**

DAVID C. TAYLOR, General Agent, 58 William Street, N. Y.

Telephone: 3894 John.

FORTY-FOURTH YEAR.

The Massachusetts Mutual

LIFE INSURANCE COMPANY.

INCORPORATED 1851

SPRINGFIELD, MASS.

ASSETS January 1, 1905, . .	$37,071,297.57
LIABILITIES, ...	33,770,674.54
SURPLUS, ...	3,300,623.03

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, Pres. HENRY M. PHILLIPS, Vice-Pres.
W. W. McCLENCH, Sec'd Vice-Pres. W. H. SARGEANT, Sec.

New York Office: Empire Building, 71 Broadway.

GEORGE J. WIGHT, Manager of Agents for Southern New York.

WHAT is the use of saying
"The best company,"
or "The strongest company,"
or "The largest company"?
They all say these things.

WE SIMPLY SAY . . .

THE PENN MUTUAL LIFE Insurance Company

OF PHILADELPHIA.

Organized 1847.

THAT TELLS THE WHOLE STORY.

THERE IS

Always a Good Opportunity for a

Good Man

TO REPRESENT

The Mutual Life

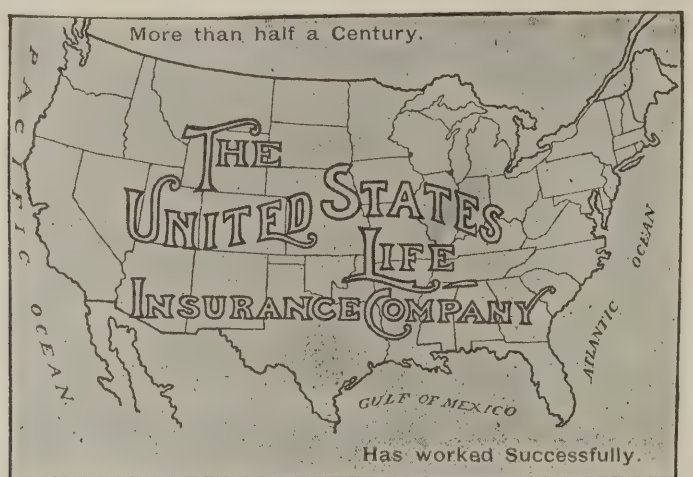
INSURANCE COMPANY OF NEW YORK.

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT.

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents,

32 NASSAU STREET, NEW YORK CITY.



JOHN P. MUNN, M.D.
President.

FINANCE COMMITTEE.
JAMES R. PLUM,
Leather.
CLARENCE H. KELSEY,
Pr. Title Guar. & Trust Co.
WILLIAM H. PORTER,
Pres. Chem. Nat'l Bank.

Active and successful Agents who desire to make DIRECT CONTRACTS with this well established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3rd Vice-President, at the Company's Office, 277 Broadway, New York.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1905, $831,256.62

CHAS. LYMAN CASE, Manager.

61 Pine Street, NEW YORK.

INCORPORATED 1865.

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905,	$5,546,127.97
Cash Capital,	200,000.00
Liabilities, including reinsurance,	3,617,361.34
NET SURPLUS,	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Sec.

Head Office for the United States:

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

57 and 59 William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - $200,000.

STATEMENT, APRIL 1, 1904.

Bonds, Bank and Other Stocks, Market Value	$290,326.50
Demand Loans with Collateral Security	34,500.00
Real Estate, unincumbered, owned by the Company	106,500.00
Premiums in course of collection, Interest due Company and Cash in Banks and Office	222,561.32
Total Assets	$653,887.82

LIABILITIES.

Reserve for Reinsurance and other Liabilities	$280,736.85
Reserve for Losses under Adjustment and not yet due	94,533.01
Surplus to Policyholders	278,617.96
	$653,887.82

Losses paid since organization, $18,616,821.42.

CHAS. S. HOLLINSHEAD, President.
E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

The Mutual Benefit

LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905,	$93,237,790.27
LIABILITIES,	85,918,227.30
SURPLUS,	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

One Million Dollars Surplus to Policyholders

UNITED STATES CASUALTY COMPANY

141 Broadway, New York

WANTS AGENTS IN SMALL TOWNS

as well as in large ones

BEST ACCIDENT and HEALTH **INSURANCE** IN THE WORLD

Secretary & General Manager

INCORPORATED 1851.

The Berkshire Life Insurance Company,

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Secy.

Agencies in all the principal cities of the United States.

1806 The Oldest New York Fire Insurance Company 1905

THE EAGLE FIRE COMPANY

of New York.

HOME OFFICE, BEAVER BUILDING, NEW YORK.

Ninety-ninth Annual Statement.

Capital	$300,000.00
Unclaimed Dividends	2,906.24
Reserve for Taxes	1,000.00
Net Surplus	277,908.05
Total Assets	$581,814.29

Liabilities—NONE.

THEO. H. PRICE, ... President
MELVILLE E. INGALLS, Jr., ... Vice-President
WILLIAM G. WHILDEN, . . . Secretary and Managing Underwriter
SAMUEL S. WALSTRUM, ... Assistant Secretary

AGENTS WANTED.

1851 **Phoenix Mutual Life Insurance Company** 1904

OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance. The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.

JONATHAN B. BUNCE, President.

WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

January 1, 1904.

Assets,	$1,152,330
Surplus,	439,609

KIMBALL C. ATWOOD, Sec., 290 Broadway, NEW YORK.

THE COLUMBIAN NATIONAL LIFE INSURANCE CO.,

BOSTON, MASS.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000.

STATEMENT DECEMBER 31, 1904.

Resources (including Capital, $2,500,000),	$5,837,309.20
Liabilities (including Reserve, $793,173.24),	1,204,075.01

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

Telephone : Cortlandt 5395.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905.

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353,488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

For a DEFINITE PROMISE to PAY, well defined, no experiment and taking no chances that technical legal definitions of what constitutes an accident will be used to defeat claims, BUY YOUR INSURANCE in and SELL the policies of

"THE CENTRAL," of Pittsburgh, Pa.

Its management will tell you in YES or NO answers what it covers and what it does not cover. AGENTS WANTED.

For particulars address **The Central Accident Ins. Co., Pittsburgh, Pa.**

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

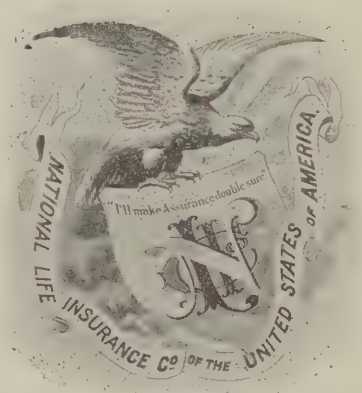
Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

You Must Progress if You Would Succeed.



P. M. STARNES, President

A PROGRESSIVE COMPANY

ESTABLISHED 1868

Full Paid Capital
One Million Dollars

In five years has gained in

Annual Premium Income, $1,331,799
Assets 2,911,595
Insurance in force . . 27,949,110

Progressive Management
Modern Policies

Home Office
NATIONAL LIFE BUILDING
CHICAGO, ILLINOIS

Forty-fifth Year

HOME LIFE
INSURANCE COMPANY OF NEW YORK,
GEORGE E. IDE, President.

Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus,	1,134,104.25	1,362,315.56
Insurance in Force,		74,892,289.00

The Weekly Underwriter:

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LET the turn be what it may in the ever changing course of events in the present life of the Equitable Society, the impression will not down that the unseen hands of rival financial interests are directing the moves. Here is the Hendricks report at last. It is "drastic," but its severity runs in one direction. Mr. Tarbell is vindicated, Mr. Alexander mildly censured while he is also praised, and Mr. Hyde is bitterly attacked; even his father, the founder, whose "spotless reputation" President Schurman, of Cornell, has just pronounced the Society's "best asset," being included in the obloquy. It is charged that a certain interest, antagonistic to the new interest now in control of the company, has escaped allusion in the report. Color is lent to this charge by the sudden resolution taken by Chairman Morton to have an independent investigation of his own. If the Hendricks examination was sufficient, why should there be another right off, the third since the trouble began? Is it because Mr. Morton seeks to find what Mr. Hendricks has failed to bring to view? These clashing proceedings strengthen the suspicion that a fight is still going on for the supervision of the Equitable's millions, and that the Superintendent's report does not by any means end the struggle. It is a pitiful situation.

THE ends ostensibly sought by both parties are the same—control of the company by the policyholders. The methods proposed are different. The Superintendent declares that mutualization must be reached by the "elimination of the stock," to be paid for at its par value only. The trouble with this process is that it would throw the affair into the courts, and lock up mutualization in almost endless litigation. The owners of the stock cannot be divested of their property rights, and they have made a pretty successful beginning in holding that position already. The plan of mutualization adopted by the parties already intrenched in possession offers better prospects of success because it is in the strong directing hands of Grover Cleveland and his associates. It is Mr. Cleveland who has said, "I assume this duty upon the express condition that so far as the trustees are to be vested with discretion in the selection of directors they are to be absolutely free and undisturbed in the exercise of their judgment, and that so far as they are to act formally in voting for the directors conceded to the policyholders a fair and undoubted expression of policyholding choice will be forthcoming." Is it to be doubted that the kind of man who has assumed this duty is capable of being deceived, or bought, or induced under any pretext to be swerved from the straight line which will lead to the absolute control by the policyholders, not through their officers, but by direct expression of their will? We for one think not.

THE Superintendent does not approve of the plan of gradual mutualization by the election of twenty-eight directors by the policyholders, and twenty-four by the stockholders until the latter become the minority of the board, while the three trustees hold the voting power under the deed of trust. Curiously enough the President of the United States has intervened with his opinion at this juncture, and with his customary emphasis indorses the trustees' plan. Writing to Chairman Morton the President says:

> You and Mr. Cleveland intend to see that the affairs of the society are managed not merely with the honesty requisite in order to keep clear of criminal proceedings, but with the fine sense of honor which recognizes in the trustee—and that is what the man responsible for the management of any great business corporation is nowadays—the duty of managing his business affairs with a high sense of obligation not only to the stockholders and the policyholders, but to the general public. Mr. Cleveland has especially stipulated that he is to be absolutely free and undisturbed in the exercise of his judgment; you have especially stipulated that you are to be absolutely free and undisturbed in the exercise of your judgment. I have faith not only in your will to do right, but in the judgment which will enable you to do right. As I understand it, the majority of the stock is to be put in the hands of a board of trustees, of which Mr. Cleveland has accepted the chairmanship, and they will have absolute control, subject, as to the majority of the directors, to exercising their own judgment without control. Your own policy will be, I know, to give the policyholders a square deal and to clean house thoroughly. You would not take such a position if you did not have a perfectly free hand, and if you were not unhampered by commitments to anybody.

It is safe to say that a policy approved by the two men who are today the strongest in the confidence of the American people will in the end prove the most acceptable to the policyholders of the Equitable Life Assurance Society. For the rest, it is only just to the Superintendent of Insurance and his assistants to recognize the industry, acumen and capacity shown in their report. One criticism of the Department, however, is irresistible. The Superintendent admits at the very beginning of the report that the company was examined by the Department in 1901, and found solvent. Why were the misdeeds of officers and directors unobserved then, or if observed suppressed? The safe deposit transactions have been in operation, according to the present report, since 1876, and the Equitable Trust Company began business in 1896. Mr. James H. Hyde was elected an officer of the company in 1898, and vice president, with control of the company, when his father died in 1899. The Department examination of 1901 is almost an arraignment of the Department itself.

A STUDY of fraudulent accident insurance claims has been made by Mr. Theodore Waters, and he embodied the results in a lecture uniquely entitled "The Profession of Getting Hurt," before a large number of casualty underwriters this week. With the expansion of the railway system, and the increase of other forms of vehicular

traffic, in building and in the use of electricity and explosives, there has been an enormous growth in the number of accidents, and out of them has developed accident insurance in its present great proportions. Correspondingly has grown an industry of graft in which a large number of professional claimants and unprincipled lawyers and physicians derive a regular income by pushing claims against the accident companies. It is a matter of common observation that if any form of accident happens to a person, however slight the injury, he is waited upon by a shyster lawyer, with an offer to recover damages from the offending corporation, which may be protected by liability insurance. So also it is well known that the same class of people conspire to make up claims on accident companies, based on casualties which never occur. The evil has now become so troublesome that the companies will be wise to adopt the plan proposed by President Armstrong, of the Casualty Company of America, to organize an association to fight fraudulent claims, and punish the adventurers engaged in promoting them, on the lines of the Central Bureau of the American Bankers' Association, which has been very successful in its operations. Mr. Armstrong very pertinently says:

This is a movement in which the insurance companies, while taking the lead, desire the active co-operation of all corporations and individuals who are now the prey of these damage claim pirates. A strong, vigorous central body, supported by reasonable annual dues, will put the fear of the law into the heart of every malingerer, bogus claimant, ambulance chaser, shyster lawyer and mercenary physician.

Facts and Opinions.

Insurance insanity, once a rare manifestation of mental aberration, has shown itself strongly in various parts of the country, particularly since the puzzling and seemingly unsolvable problems of insurance and high finance have been so widely called to public attention in the newspapers. The worst case of unbalance in this line, even surpassing the affliction of numerous gentlemen who have represented various constituencies in the State legislatures recently turned loose, has just appeared in Colorado. The victim writes as follows to Commissioner Frank S. Tesch, according to the *Denver News*. The writer's either plum crazy or just foolin':

The idea of extending the sphere of fire insurance has engaged my thoughts for some time. As yet they are in a somewhat nebulous condition, but such as they are I gladly place them before you. My first suggestion is to extend the sphere of fire insurance into the next world. Of course it would be on individuals only, and individuals separately. It would never do to adopt the plan at present in operation with respect to cattle and blanket policies covering entire families would be out of the question. Being entirely moral hazards, there might be some difficulty in fixing the rates of premiums—and I also recognize that the adjuster's duties would be very much more arduous, not to say dangerous. These, however, are mere matters of detail which doubtless could be quite readily and satisfactorily arranged. I would also suggest one other field of operation. Insurance can be had against loss from all kinds of fire except the fire of love. Why not provide against that? Such a scheme, I feel assured, would be extensively patronized. For instance, a young man suffering from the fire of unrequited love could prove a case of partial loss, and the amount of damage payable under the policy would be a certain percentage of the amount insured, varying with the age of the insured and the charms of his inamorata. Where the flame is mutual and results in marriage, it would of course constitute a total loss, and the full amount of the policy would be payable. Here, again, there might be some difficulty in fixing rates, but they could be determined somewhat on the same lines as those employed at present on buildings. A stone or brick risk—that is, a person of phlegmatic temperament—would not, of course, have to pay so much as a frame, a highly inflammable individual. Contrary to what obtains in the case of buildings, I should say that the older the risk and the hazard the less would be the danger. Again, it would be absolutely necessary to adhere strictly to the rate regarding unoccupied attics, and also to those relating to proximity hazards Here is where the greatest difficulty arises. Of course a large addition might be made to the rate where the hazard comes within ten feet of the risk, but what are we going to do when the risk and the hazard occupy the same chair? So far as I see, the prohibited list would be the only solution.

The *New York Times*, commenting on **the future of the Equitable,** takes the view that the best way out of the present difficulties is to support the trustee plan of which ex-President Cleveland is the responsible head. It says:

Superintendent Hendricks remarks in his thoroughgoing and able report that the only thing that will restore public confidence and benefit the company is "the elimination of stock control." He further observes that he deems it of equal importance that there should be an "elimination of Wall Street control." In this reference to Wall Street control Mr. Hendricks has evidently made use of a common and rather vague expression that seems out of place in an official report. The voting control of the Equitable now rests with Grover Cleveland, Mr. Westinghouse and Judge Morgan J. O'Brien, who are not in Wall Street. The Equitable must continually be "in Wall Street" as a buyer of safe investment funds. It will be there with the assent of the three trustees we have named. But anybody who attempted in the more familiar sense of the word to put the Equitable into Wall Street, meaning to make use of its funds in Wall Street promotion schemes, would have to reckon with Mr. Cleveland, Mr. Westinghouse and Judge O'Brien. Candid men giving real thought to the matters of the Equitable are pretty generally agreed that the deed of trust shields the company from any possible involvement in the pits and perils of Wall Street. The opinion is quite generally held, also, that this deed of trust "eliminates" stock control. The owner of the shares cannot elect the directors—they are elected by the trustees and by the policyholders. If any more complete process of elimination can be suggested it should not be kept from the public.

In the suit of **William Miller against the Mutual Reserve** insurance company, in the United States Circuit Court, the plaintiff asked the court to commit the president of the company for contempt for not producing certain books and documents in court. Judge Lacombe denied the request in the following decision:

This court did, as counsel for complainant suggests, heretofore lay down the rule that a subpœna duces tecum should be first obeyed by bringing the documents into court, and that thereupon the court would inspect them to see if they were relevant or material, and such as might be offered in evidence. (Edison Electric Light Co. v. U. S. Electric Lighting Co., 44 F. R. 294, 45 F. R. 55.) That decision had reference, of course, to the concrete case then before the court; it was not expected that any such grotesque subpœna duces tecum as we have here would ever be taken out, calling for apparently a cartload of books and papers, nearly all of which, so far as their description indicates, have nothing whatever to do with the issues raised by the pleadings. The motion to punish for failure to obey this omnibus subpœna is denied. If in this long enumeration there are a few items which possibly might have some bearing on the controversy, complainant may take out new and separate subpœnas for them; the court will then look into the merits of each separate application to produce. To undertake a recitation of this mass of irrelevant material would be a useless waste of time. This decision on the subpœna as a whole will not be taken as an adjudication against any individual item; each will be considered when presented in some convenient shape; but from a cursory examination of the list called for it would seem that as to most of them complainant would be wasting his time in making further effort to lug them into a controversy with which they have nothing to do.

The receiver of the **Equitable insurance company, of Indiana,** Walter H. Hammond, has completed an accounting of the company's assets and has asked for a judgment of $25,000 against the officers and directors of the defunct company. He states that the assets are $1,000, and that the liabilities are over $20,000. His receivership was instituted two years ago. The Equitable, of Indiana, was originally the Indiana insurance company. It was transformed into the Fort Wayne insurance company, and later sold, with $250,000 debts and $2,400 assets, to Charles E. Dark, of Indianapolis, for the sum of $1,750. The reorganization as the Equitable Life of Indiana then followed. The receiver charges that when this change was made the stock was turned in for cancellation to avoid statutory liability for debt and was then reissued for a small per cent. of its face value, 1 per cent. on common and 5 per cent. on preferred, according to the receiver. Furthermore, he charges the charter did not provide for the issuance of preferred stock. The president

of the company was Wilmer Christian; Martin V. Gilliard, vice president, and W. W. Dark, D. B. Holman, C. E. Dark, E. H. Dark, H. F. Hackedorn and Everett Wagner, directors.

"Industrial Life Insurance," a new publication from the *Spectator* press, is a thorough exposition of that system of life insurance, a reliable text book and guide to the agent, and a clear exposition of principles and practice. Problems incident to the system are lucidly explained, while the construction of the premiums charged, the method of calculating the reserves, the evolution of the policy contract and the organization of the field force are dealt with in detail. A section is devoted to a showing of the statistics of the business year by year, commencing with 1876, indicating its phenomenal growth in the favor of the working classes. In addition to the aggregate figures the records of existing individual companies are given. Following this section is an exhibit showing the amounts of insurance furnished by the industrial companies for weekly payments of 5 and 10 cents, also sample forms of the policy contracts now in use by the leading organizations. The final section of the work embraces plain and practical hints to the great array of industrial field workers. These hints are gathered from the experience of leading men in the business, and contain a vast amount of instruction and pointers for the guidance of both new and old field men. The book sells for $1.50 per copy.

The demand for **automobile insurance** is increasing daily, owing to the growing popularity of this pastime, and the firm of Johnson & Higgins, 49 Wall street, is meeting this demand by putting upon the market a more favorable form of policy than was heretofore obtainable. Under the arrangement that they have made it is possible for an owner to insure not only against fire (whether within or without the machine), but also against the risk of explosion, lightning, thieving and robbery, including risks of transportation while being sent from one place to another on any railroad train or water conveyance. One of the strongest features of their policy is the fact that it is a valued policy, which simply means that the underwriters agree in advance that they will not dispute the value of the machine after loss. The uncertain and variable value of automobiles is such that the importance of this clause will be apparent to all automobile owners, as under the usual form the value is left entirely open and the owner only has a right to recover the actual amount which he can prove the machine was worth before loss.

A jury in the United States Circuit Court at **St. Paul** last week decided that the destructive **storm** in that city on August 20, 1903, was **not a cyclone.** The Finch, Young & McConville dry goods house of that city sued the Maryland Casualty Company for damages caused by sprinkler leakage following the storm. The Maryland had issued a $25,000 policy against such damage "not caused by cyclone or earthquake," and the decision of the case rested on the court's ruling as to the nature of the storm. The atmospheric disturbance blew down part of the dry goods store and caused about $90,000 damage. The company contended in its defense that a "cyclone" is any destructive windstorm, while the plaintiff argued that a "cyclone" is a rotary windstorm causing general devastation. Judge Page Morris thus defined the word in contention: "A cyclone is a violent and destructive storm of greater or less extent, characterized by high winds revolving about a centre of low atmospheric pressure, which centre moves onward at a greater or less velocity." In view of the testimony the jury decided that the St. Paul storm was not of that nature and awarded the dry goods firm $26,235 damages.

The **Federal Life,** of Chicago, through some clever sleuthing on the part of Col. Jasper Ewing Brady, superintendent of agents, recently **discovered** a **systematic swindle** that had been practiced by some of its agents. A discharged agent was dunned for some collections. He stated that he had paid them to J. L. Berger, manager for the company at Detroit, Mich. He showed letters from Berger acknowledging receipt of the money, but saying that he had not turned it in, and pleading "for God's sake" not to report it or he would lose his job. On being confronted with the evidence Berger admitted the embezzlement and was held for examination. A quiet investigation by Mr. Brady revealed a system among the Detroit agents by which applicants rejected by other companies would be "railroaded" through a medical examination by the connivance of a doctor employed by the company, who was also arrested. The scheme was fortunately nipped before more than four policies had thus been put through. The amount of the company's loss is slight by reason of the early discovery of the plot.

With the compliments of *Rough Notes* we have received a copy of Mr. John I. Harden's new book, **"The Psychology of Soliciting."** In the preface he says:

> We are all working for money. Anything that will increase our horizon will assist us to make dollars. Psychology will broaden our horizon, therefore it will help us make dollars. * * A life insurance agent's work is psychological in a special sense. He not only employs his own mind constantly, but he must influence the mind of his prospect. * * A salesman will be most successful when he accidentally or intuitively acts in harmony with these (psychological) laws.

The psychological moment is so described that the merest tyro can seize it on sight and numerous ways of an agent's attracting attention to his business, such as "providing a short entertainment, subsequent to the banquet (modest, as previously explained), and turning it into a smoker," are interestingly detailed. Other chapters are devoted to "The Relation of Mind to Material Things," "The Summation of Stimuli" and "Apperception," all of which will help the agent to understand how to touch the mainsprings of men's minds, with profit to himself.

The **City Trust, Safe Deposit and Surety Company,** of Philadelphia, reorganized three weeks ago by the election of J. Hampton Moore, former chief of the Bureau of Manufactures in the Federal Department of Commerce and Labor, closed its doors on Wednesday, having lost about $80,000 through the forgeries of the late Benjamin H. Gaskill, of Philadelphia. Gaskill had borrowed $85,000 of the company on collateral security really worth only about $5,000, but which he had raised by forgeries to $127,000. The City Trust did quite a surety business throughout the country. Its failure recalls the argument against running a trust company and a surety business under one surplus, protecting not only the fiduciary obligations of the company but its surety liability as well. The City Trust was recently refused admission to Massachusetts by Commissioner Cutting on account of such a mingling of its interests.

The **Kentucky insurance report** favors the creation of the office of State fire marshal and the imposition of a tax on the premiums of fire insurance companies for the support of fire departments. The following are Commissioner Prewitt's views on valued policy laws:

> It is my opinion that Section 700 of the Kentucky statutes, commonly known as the "valued or fixed policy law," should be repealed. Insurance companies must of necessity act by and through agents. The agents are rarely ever architects or builders. It is equally impossible to have each building insured inspected by a representative of the company without entailing a great expense upon the insuring public. The insured has, or

should have, a better knowledge of the value of his property than any other person. The company should not be required to pay any more than the actual loss sustained. Overinsurance causes a great many fires which would not occur but for this law. The rates of insurance in other States are very much lower than in Kentucky. With a fire marshal law upon the statute books, and the repeal of the valued policy law, Kentucky should have as low a schedule of rates as any State in the Union.

In his address to the graduating classes of Cornell University on Tuesday **President Schurman,** speaking upon "character," made the following reference to the affairs of the Equitable Life:

Here is a vast corporation, holding in trust for widows and orphans unimaginable millions of dollars. But the best asset the Equitable Assurance Company ever had was the spotless reputation of Henry B. Hyde, the man who created the business. So long as he lived the company was as solid as Gibraltar. Within the last six months we have seen it become an object of universal distrust, its business paralyzed, its officers severely condemned by its own directors, its organization rapidly disintegrating, and the spectre of a receivership or of bankruptcy confronting it in a future apparently not very remote. Now what saved the Equitable Assurance Company? I say it has been saved by the grace and potency of character which built it up. Stronger than all the forces of criticism, of disintegration, of personal rivalries, even of faulty and therefore dangerous organization, is the name of that sturdy, honest, tried and tested and absolutely reliable American, Grover Cleveland.

In the Supreme Court at Logansville, Ind., last week the case of **George W. Michaels against an insurance company** was decided in favor of the plaintiff, and in its opinion the court made the following rulings:

A fire insurance company which issued a policy upon property without asking any questions, nor demanding any knowledge other than that possessed by its agent, cannot avoid such policy on account of the insured having only a life estate in the property, under a stipulation in the policy that it should be other than unconditional and sole ownership * * in fee simple, where the attention of the insured was not in any way called to such condition, and the insured accepted the policy in good faith without knowledge thereof and paid the premiums which were accepted and retained by the company. Unless the reserved right to declare a policy void for causes existing when it was issued is exercised within a reasonable time after the facts come to the knowledge of the company and all premiums received are paid or tendered back, such causes for avoiding it will be deemed waived.

On Tuesday, Wednesday and Thursday the first annual meeting of the **General Managers' Association of the Phœnix Mutual Life** insurance company, of Hartford, was held at the Hotel Cadillac, Detroit, Mich. A large and enthusiastic attendance was there and the meeting echoed with loyal speeches. Mayor Codd, of Detroit, welcomed the association, and President John M. Holcombe made a speech that was warmly received. Instructive papers were read on various agency topics on Tuesday and Wednesday, and on Wednesday afternoon an excursion on Lake St. Clair was enjoyed. A banquet, presided over by First Vice President William A. Moore, was held at the Cadillac Wednesday evening. Thursday was devoted to a wind-up business meeting and the election of officers.

It was decided to **remove the pink slip from Spokane,** Wash., at the annual meeting last week of the Washington Insurance Association. The penalty was imposed over a year ago, for inadequacies in the water supply, but since then the system has received a thorough going over, leaks were stopped and the city has made a saving of a million gallons daily, according to the report of President J. R. Mason, of the association. At the election of the association Mr. Mason, who is a Seattle man, was again made president; H. P. Doust, North Yakima, vice president; B. W. Baker, Seattle, secretary and treasurer; W. H. Miller, Tacoma; R. M. Mitchell, Everett; R. Day, Bellingham; Moses Oppenheimer, Spokane, and George Baker, Dayton, executive committee.

At Sherry's, on Tuesday evening, the Casualty Company of America entertained a large audience of interested insurance men by a lecture on **"The Profession of Getting Hurt,"** an exposition of the methods of fake accident claimants, by Mr. Theodore Waters, a writer and investigator who has studied the question thoroughly in all the large cities of the United States. He told of the tricks of the fakers and the graft games of shyster lawyers and "ambulance chasers" in detail. Action was taken by those present to form an association among accident underwriters to fight this form of swindle, and President Robert B. Armstrong, of the Casualty Company of America, was authorized to appoint a committee to work to that end. The committee will be announced later.

The undying **Phœnix,** renowned in ancient fable, **has come off its perch,** temporarily. Its image of type metal and large proportions, which for thirty-two years has stood as an emblem on the building of the Phœnix Fire insurance company, of Hartford, has been placed in storage following the sale of the old Phœnix building to the Connecticut General insurance company. Its associations are such, however, that it will be carefully preserved and perhaps installed at no far distant time on a new Phœnix building, more worthy of that fire defying company. The bird itself is 9 feet high and its wings upstretched measure the same length. It was designed by Sculptor Carl Conrads in 1873 and cost about $1,000.

The Grand Jury at Des Moines, Ia., which is **investigating the "insurance trust"** there, had trouble last week in getting information. Secretary George C. Newman, of the Des Moines Underwriters' Association, was called to the stand, but refused to answer the questions put him, under the advice of his counsel, and would not submit the books of the association for examination. After repeated threats of imprisonment and contempt of court, however, he was forced to do so. A special committee of Western agents has been appointed at Chicago to take charge of the defense of the special agents recently arrested at Clinton, Ia., for alleged "trust" offenses. The committee is composed of W. H. Sage, German-American; J. F. Downing, North American, and P. D. McGregor, Queen insurance company.

A **counter suit** has been filed **by Mrs. Susan Day Parker,** the New York yachtswoman, to the suit of the Liverpool and London and Globe insurance company for the return of part of $21,000 paid by the company on the loss of her steam yacht Scythian, burned off Cape Cod, June 6, 1900. The company had policies aggregating $40,000 on the yacht, which was turned over to the underwriters as a total loss. The company refused to pay this, asserting that all the articles named on the loss schedule were not aboard at the time of the fire. The loss was finally compromised by the payment of $21,000. The marine insurance was settled for $59,000 additional. Mrs. Parker has now denied the absence of the furnishings in question and sues for $19,000 balance due, with interest.

There are encouraging signs of activity in the **agency department** of the Washington Life insurance company, in marshaling forces looking forward to the business of the coming fall and winter. Several applications are under consideration for filling managerial positions at Atlanta, Ga., and St. Paul, Minn. The Milwaukee agency, which for many years was under the management of Dr. S. L. Fuller, one of the oldest of the Washington Life's managers, has been placed under the direction of Davis & McGrew, of Chicago, for the present, Dr. Fuller having retired. The Chicago

firm has installed Mr. V. E. Wilson, an experienced insurance man, with a corps of active solicitors in the Milwaukee office.

The regular meeting and banquet of the **Life Underwriters' Association of Springfield,** Ill., was held at the Leland Hotel Saturday evening, June 17. This association is one of the newer underwriter associations, having been organized but a few months; still it has an enrollment of thirty-two members, comprising the leading representatives of companies doing business in Springfield. President John Dolph, of the National Life Underwriters' Association, was present and addressed the meeting, giving an enthusiastic talk on the benefits these associations are doing in elevating the business of life underwriting and creating a feeling of fellowship among their members. The association elected delegates to the National Association convention to be held in Hartford.

What is the matter with the **automatic sprinkler tanks of New England?** A few weeks ago the water tank over Parsons' Theatre in Hartford, Conn., fell, causing considerable damage. Last Monday morning the 25,000 gallon reservoir over the D. E. Makepiece building in Attleboro, Mass., came crashing through the roof and flooding the floors, spoiling thousands of dollars' worth of delicate machinery and stock used in the manufacture of jewelry. Wednesday evening the hoops of the tank over Hawley, Folsom & Ronimus' dry goods store on Essex street, Boston, burst, precipitating 15,000 gallons of water, luckily with little damage. Inspectors of sprinklered risks might do well to pay a little attention to the tanks just now.

The sixth annual edition of **Best's Insurance Reports** has been issued from the office of the publisher, 90 William street, New York. It is larger and nearer perfection than ever, and is two months ahead of the time that it has appeared in former years, which means much. The "surplus line" reports are particularly complete. Over twelve hundred fire, marine, liability, steam boiler, fidelity, surety, plate glass, burglary, credit and sprinkler leakage insurance companies, mutuals and Lloyds associations transacting business in the United States are reported on in detail. The book is sold by subscription in connection with special reports and *Best's Insurance News* at $10 a year.

A mass meeting of delegates from **Royal Arcanum** councils in Massachusetts is to be held in Boston next Thursday, at which the increase in rates decreed by the supreme council is to be considered. As indicative of the feeling that this step has aroused, it may be mentioned that the Dedham Council has adopted resolutions petitioning for a special meeting of the supreme council for the purpose of rescinding its action, and declaring the new scale of rates as a great injustice upon a large proportion of the members of the order throughout the country. But declarations, alas! will not estop the death rate from growing, and the only alternative is for the members to pay or see the order shut up shop.

The **New York State Association of Local Fire Insurance Agents** was in session on Tuesday at Utica, about fifty members being present. The following officers were elected for the year: President, Lucius G. Leonard, Syracuse; vice presidents, D. S. Hawley, Buffalo; Robert S. Paviour, Rochester; M. J. Parkhurst, Johnstown; J. A. Hulginst, Jamestown; W. E. Richards, Utica; secretary and treasurer, W. H. Hecox. The association was entertained by the Utica board on a trip to Trenton Falls, by special train, and a dinner there at the Hotel Trenton. President Cunningham, of the Glens Falls, made an interesting address at the meeting.

The **arbitration committee of the South Eastern Tariff Association** is announced as follows by President George T. Dexter; George L. Chase, Hartford; E. G. Richards, North British; E. S. Gay, Insurance Company of North America; Edward Milligan, Phœnix, Connecticut; Chas. J. Holman, Commercial Union; H. S. Stockdell, Phenix, New York; E. G. Snow, Home, New York; Milton Dargan, Royal; George W. Babb, Northern; M. O. Brown, Westchester; Clarence F. Low, Liverpool and London and Globe; Geo. W. Burchell, Queen; W. N. Kremer, German-American; W. E. Chapin, Pennsylvania, and Fire Association; F. O. Affeld, Hamburg-Bremen.

The Methodist preachers of Philadelphia, in convention assembled, have called upon Governor Pennypacker for the **removal of Insurance Commissioner Durham.** The resolution declares:

> The long standing complaint has been his long absence from his office and his drawing a large salary, for which no service is rendered to the State. The daily record in the public press of his whereabouts for the past six months makes further comment unnecessary. The recent exposure is his being a member of the firm of D. J. McNichol & Co., by which enormous profits have been made in contracts from the city under conditions which would have been impossible but for his power to control contracts and the officers appointed to supervise the execution of the same.

The Supreme Court of Kansas, in an opinion recently delivered in the case of the Latham Mercantile and Commercial Company, of Topeka, against T. H. Harrod, has ruled that an **agent is liable for a fire loss** on a policy placed in an unauthorized company. A $2,000 policy on the property of the Mercantile company was written by Harrod in the Mercantile Fire of Chicago. After a loss the face of this policy could not be recovered on account of the insolvency of the Mercantile Fire, which was not authorized to do business in Kansas. The Supreme Court gave a verdict against the agent for the amount of the policy.

Noticing a new novel written by our esteemed contemporary, **George D. Eldridge,** the *Chronicle* says:

> Mr. Eldridge's duties in connection with the reorganization of the largest of the assessment societies have involved an enormous amount of labor, and called for unusual skill, and even those who have decried his company have given the tribute to him that no man could have done more. Doubtless the strain of these duties has been much relieved by turning the attention of the same fertile intellect to the inviting fields of fiction. His earlier novel, "I Will Repay," had a good sale in this country, and a still larger sale in Great Britain. Its literary merits were much appreciated, and it is evident from the reception which the present work has met that he has advanced in literary art in a marked degree.

The **Metropolitan Life** insurance company has plans under consideration for building an enormous **tower** to complete its block square building at Twenty-third street and Fifth avenue, New York, It will occupy the present site of Dr. Parkhurst's church, when that congregation moves across the street to its new edifice. The tower is planned to be 560 feet high, dwarfing Diana of the Garden to the proportions of a pigmy and making the Flatiron Building look like a slice of cheese. The architect declares the new tower will be for "architectural effect."

The National Board's **Committee of Twenty** on the conflagration hazard announces that it will for the present limit its investigation to surveys of Alameda, Boston, Baltimore, Brooklyn, Berkeley, Cleveland, Denver, Detroit, Indianapolis, Kansas City, Louisville, Milwaukee, Minneapolis, Oakland, Omaha, Philadelphia, Portland, Scranton, Seattle, Spokane, Sacramento, South Omaha and Tacoma.

The widow of William C. **Jutte,** the Pittsburgh broker who recently killed himself at Atlantic City, after losing heavily by speculation, received $204,000 from the Equitable Life in

settlement of a policy on his life which he took only recently, and on which he had paid but a small amount in premiums. As the policy was an incontestable one, he was sure to win on his last deal, though it cost his life. The settlement is one of the largest in life insurance, but it is a heavy reflection on the holder that it should have been obtained by self destruction.

At the annual meeting of the **Arkansas Association of Local Fire Insurance Agents** at Little Rock on Monday all the new Arkansas companies became honorary members of the association and tendered moral support to the association. Mr. W. P. Weld, of Marianna, was elected president of the association for the ensuing year; A. L. Malone, Jonesboro, vice president, and H. W. Rightsel, secretary-treasurer. Argument was heard the same day by the Supreme Court in the anti-trust case. An early decision is expected.

Three young men, named Coppinger, Hargreaves and Johnson, have confessed to **setting fire to five icehouses** at North Andover, Mass., "the night before the Fourth" last year, and have been held for the September grand jury. Their reckless prank caused a loss of $4,000, and is its own commentary upon some people's idea of "fun." Credit is due to Maurice Casey, of the fire marshal department of the Massachusetts State police, who for nearly a year has followed up the clues which led to the discovery of the incendiaries.

A **policyholder of the Equitable Life** who had imbibed vast quantities of hot air from the emotional daily press became crazy this week as a result, and proceeded to the company's office with a loaded gun and the express purpose of recovering the premiums paid on his policy or destroying the officers in lieu thereof. That he was one of Police Commissioner's McAdoo's men was only an incident. Any policyholder taking a course of reading in the daily papers on the Equitable problem is liable to an attack of dementia.

The sixth annual meeting of the **Pennsylvania State Association of Local Fire Insurance Agents** was held last week at Wilkesbarre, Pa., with a large and earnest attendance. A trolley ride to Harvey's Lake and a banquet there followed the business session, at which officers were elected as follows: President, F. L. Hitchcock, Scranton; vice president, W. C. Hembold, Clearfield; C. W. Hathaway, Olyphant; C. K. Spangier, York; secretary and treasurer, E. B. Rankin, Harrisburg.

The recent change of management of the **Equitable Life in Iowa** was made in a decided manner. Upon the recent resignation of Elmer Dwiggins his agents also resigned to go with him, the resignations to take effect July 1. When this force went to the offices on June 12 they found that all the locks had been changed and new keys given to a new force that was on deck. Mr. O. G. Wilson, of Burlington, has been appointed to succeed Mr. Dwiggins.

An action in the Circuit Court at Nashville, Tenn., has been brought by Thomas H. **Triplett against the Washington Life** insurance company for $1,999 damages. The Triplett was formerly general agent of the company there. The Tennessee department found fault with the calculations in a circular distributed in Tennessee, and in a letter to the department the company, it is stated, placed the responsibility upon Triplett, who now repudiates it.

Last Saturday night the **Alabama Fire Underwriters' Association** closed a two days' session with a banquet at the Point Clear Hotel, Mobile. Major James Glennon, of Mobile, was re-elected president of the association; R. H. Mabry, of Selma, vice president; M. M. Sweatt, of Montgomery, secretary. James K. Glennon was named as delegate to the national convention at Denver in August next. The next annual meeting of the association will be held at Birmingham.

Some months ago the **disappearance of Floyd E. Rock,** an insurance agent of Malone, N. Y., was noted in our columns. The father of the missing man, who lives at Ogdensburg, N. Y., lately received from a friend a copy of a Fergus Falls, Minn., newspaper telling of the arrest of a man there giving the name of Floyd E. Rock, for violent conduct on the street and of his confinement subsequently in an insane asylum. Relatives are investigating the report.

The **Republic Fire** insurance company recently incorporated at Norfolk, Va., with $50,000 capital and $25,000 surplus, has elected as directors W. L. Tait, R. B. Cooke, T. S. Southgate, McD. L. Wrenn, R. S. Cohn, C. M. Barnett, E. S. Ruffin, W. G. Swartz, Wm. Sloane, W. D. Pender, Elmer Bennett, Geo. Twohy, John L. Farant, E. L. Woodard and E. T. Lamb. The company plans to start locally and gradually extend its business into other States.

The stockholders of the **Eagle Fire** of **New York** will soon hold a special meeting to decide whether the company shall increase its capital stock to $400,000. The increase is to take place on or before July 15. Present shareholders may subscribe at par in proportion to their holdings, and 2,500 additional shares will be issued at $40 par. All stock not taken by present holders will be sold by the directors.

The condition of **Mr. S. Herbert Wolfe** was reported yesterday to be very encouraging. He is still confined to his bed, as he will be for some time to come, but he is in full possession of his faculties and is cheerful, and expects to justify the prognostications of his physicians by coming out all right. The sad fate of his riding companion, Mr. Woodbridge, has not yet been revealed to him.

The **Amos Tuck School** of Administration and Finance, associated with Dartmouth College, announces an **insurance course** for the year 1905-06. Professor Young will treat of both the "economics of insurance" and "insurance mathematics," and President De Boer, of the National Life, of the "administration of insurance companies."

At a meeting of the grand camp of the Modern Woodmen at Milwaukee on Sunday last a resolution was introduced calling for a great **fraternal congress** at Madison Square Garden, New York, to arrange to band together against the atrocious designs of the old line life insurance companies against assessmentism.

The **German Fire of Wheeling,** which recently increased its capital $200,000, and was admitted to New York, has appointed Mr. J. G. Hillard's already strong agency as manager for the metropolitan district of New York. The company had March 31, 1905, $468,505 assets and $150,325 net surplus.

Five thousand shares of the **increased capital stock of the Bank of California,** San Francisco, were sold last week to the Mutual Life insurance company of New York. William Bab-

cock, a director of the bank, is also a director of the Mutual Life, and will represent the insurance company in the bank. The shares were bought at $375 each.

All the Risks.—Pausing uncertainly before a desk in the big insurance office, the Hibernian visitor said to a clerk: "Oi want to tek out a pawlicy." "Life, fire or marine?" drawled the dapper clerk, with infinite sarcasm. "All three, Oi'm thinkin'," retorted the applicant. "Oi'm goin' fer a stoker in the navy."—*Puck.*

A report of a **fire and water test** of **truss metal lath partitions,** made August 24, 1904, at the University Testing Station, Columbia Heights, by Professor Woolson, has been published in pamphlet form at 25 cents a copy.

The next annual meeting of the **American Association of Life Insurance Examining Surgeons** will convene at Portland, Ore., the evening of July 10, the day preceding the meeting of the American Medical Association.

Holding that the evidence calling for a receivership was insufficient, the **suit** of Attorney General Ellis **against the Ohio Fire Assurance Association** was dismissed last Saturday at Cincinnati, Ohio.

The **Birmingham,** Ala., **Life Underwriters' Association** has decided to affiliate with the national body, and will send delegates to Hartford in October.

Minnesota's new State **fire marshal law** will go into effect July 1.

Personal.

AGENCY APPOINTMENTS.

John Hancock Mutual Life: Percy G. Lapey, general agent, Buffalo, N. Y.; Elmer E. Rust, general agent, Syracuse; A. B. Booth, general agent, Rochester.

Royal Exchange: E. G. Siebels and John J. Siebels, general agents for North and South Carolina, Georgia, Alabama and Florida at Columbia, S. C.

Mr. Arthur W. Pope, for the past forty-two years connected with the Cyrus Brewer & Co. fire insurance agency at Boston, died Friday morning of last week at Dublin, N. H., whither he had repaired for rest and recreation. He was fifty-eight years old, and at the age of sixteen entered the employ of the late Mr. Brewer as a clerk. In 1882 he was admitted to partnership and upon the death of Mr. Brewer in 1890 assumed full control of the agency. About six weeks ago he promoted Arthur B. Gilmore, who had been his office clerk, to participation in the firm, and the business will be continued by the last named gentleman and Arthur K. Pope, a son of the deceased, the style "Cyrus Brewer & Co." remaining unchanged. Mr. Pope left a widow and two sons. The funeral services took place Sunday afternoon at the family home in the Ashmont district of Boston. The Boston Board of Fire Underwriters expressed its appreciation of the deceased in memorial resolutions.

Mr. George P. Kessberger has been appointed to succeed Gustave Schmemann, resigned, as State agent of the Milwaukee Mechanics for Michigan. Mr. Kessberger has been special agent of the company in Southern Illinois. An interesting fight for business is expected between him and Mr. Schmemann, who enters the service of the Connecticut Fire, recently seceded from the Western Union.

Mr. J. Livingston Erringer, president of the Philadelphia Trust, Safe Deposit and Insurance Company, which he organized in 1869, and of which he was elected executive in 1874, died on Thursday of last week at his home in Germantown, Pa. He was ninety years old, and death resulted from a general breaking down of the system.

Vice President E. W. De Leon, of the Casualty Company of America, has reprinted in pamphlet form his article on Casualty Insurance which originally appeared in the Encyclopædia Americana. It covers personal accident, liability, steam boiler, plate glass, sprinkler leakage, flywheel explosion and physicians' liability insurance.

Mr. John H. Atwood, formerly secretary of the Insurance Company of North America, Philadelphia, died Thursday, June 15, at Atlantic City, N. J., where he was visiting relatives. He retired five years ago from the insurance business, and had been for some time in poor health. He was eighty-one years old.

Mr. E. H. Britton, joint manager of the fire department of the Royal Exchange Assurance, has retired, according to cablegrams from London this week. Mr. Britton is well along in years. The sole management of this department now devolves upon Manager Edward B. Hiles.

Mr. Howard Perrin, manager at San Francisco for the Washington Life insurance company, visited the home office of the company yesterday. He reports the company's business in the Far West to be in an excellent condition.

Mr. H. H. Hale has been appointed district manager of the Washington Life at Syracuse, under Sherwood M. Hard. Mr. Hale was formerly associated with Mr. Bayless, of the Mutual Life, in the same region.

Mr. H. S. Visscher has resigned the New York special agency of the Aachen and Munich to take the Western New York field for the German of Freeport.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Connecticut.

Hartford, Conn., June 20.—The Senate has rejected the bill requiring the Hartford Life insurance company to divide its safety fund.

The Senate Bill No. 235, by the Insurance Committee, providing certain additional reserves for companies writing personal, accident and liability insurance, which was favorably reported, is not satisfactory to Commissioner Upson, and has been recommitted to the Insurance Committee. It is probable that a substitute bill will soon be offered.

Florida.

Tallahassee, June 19.—Following is the text of the new law regarding fire insurance companies, which has been approved by the Governor:

An act prescribing that where there is a total loss of personal property insured and the company fails to pay the full amount covered by policy, there shall be returned to the insured the unearned premium for the excess over the amount paid in settlement.

Sec. 1. That in the event of a total loss or destruction of any personal property on which the amount of the appraised or agreed loss shall be less than the total amount insured thereon, the insuring company or companies shall return to the insured the unearned premium for the excess of insurance over the appraised or agreed loss, to be paid at the same time and in the same manner as the loss shall be paid, and the said unearned premium shall be a just and legal claim against the said insurance company or companies.

Sec. 2. That all laws or parts of laws in conflict with the provisions of this act be and the same are hereby repealed.

Sec. 3. That this act shall be of full force and effect from and after its passage and approval by the Governor.

Approved May 16, 1905.

Wisconsin.

Madison, Wis., June 21.—The Senate Committee on Finance, Bank and Insurance, to which was referred House Bill No. 696, by the Insurance Committee, a bill to amend Section 1952 of the Statutes of 1898, relating to surplus in mutual life insurance companies, reported it back for amendment, and with the recommendation that when so amended it be concurred in. The bill was read a third time and concurred in, and was approved by the Governor June 20.

Miscellany.

The Equitable Life Assurance Society—Report of Superintendent Hendricks—Another Investigation Begun by Chairman Morton.

The long looked for report of the examination of the Equitable Life Assurance Society by the Insurance Department of the State of New York was given to the press on Wednesday by Superintendent Hendricks. It is called a "preliminary report" into the management of the society. It begins by alluding to the examination of the company in 1901, when it was found "entirely solvent," and to its annual

statement for the year 1904, which showed that it was "financially sound, had a large surplus and was in a prosperous condition." The Superintendent then recites the recent events, familiar to the public, from the outbreak of dissensions among the high officers in February to the recent transfer of the control of the stock to Thomas F. Ryan and the establishment of the stock voting power in Messrs. Cleveland, O'Brien and Westinghouse.

Much the larger part of the Superintendent's long report is devoted to the outside syndicate operations of the management and the relations of the Equitable and the financial institutions which it controls in whole or in part. The transactions with the Mercantile Safe Deposit Company, Missouri Safe Deposit Company, Commercial Trust Company of Philadelphia, Equitable Trust Company of New York, National Bank of Commerce and various bond and stock syndicates are reviewed, and, as a rule, condemned for having been managed for the profit of officers more than for that of the policyholders. The leases to the safe deposit companies, whereby they occupied room in buildings belonging to the company, are especially criticised, and the Superintendent extends his censure to the founder of the company, the late Henry B. Hyde, for manipulating the leases "in favor of himself and his friends and to the loss of the society." Of Mr. Hyde, the founder, the Superintendent says:

He was possessed of untiring energy and zeal. He worked early and late, and inspired others with much of his own enthusiasm and enterprise. He watched over its affairs in all directions and even solicited insurance on the streets. Under his direction and management the society grew in public confidence, and before his death it became one of the largest and most extensive insurance companies in the world. But he did not neglect his own interests or those of his immediate associates and dependents in the society. As business increased and money began to flow into the treasury, and the real or apparent surplus began to grow, he conceived the idea of constructing or buying office buildings in the larger cities in this country, and also in Europe. They were claimed to be a useful advertising medium, in impressing the policyholders and general public with the large surplus, substantial property and wise conservatism of this institution. But they incidentally served another and more selfish purpose.

Again speaking of Mr. Henry B. Hyde, the Superintendent says: "While he favored his intimate friends on the inside at the expense of the society, he left the lion's share for himself."

Touching the dealings with the Equitable Trust Company the Superintendent says that being directed by the officers of the Equitable Society and their executive committee, their action "demonstrates that they were not solicitous for the society's welfare, but active in promoting their own private interests."

THE SYNDICATE PROFITS.

In regard to the syndicate transactions conducted by "James H. Hyde and Associates" the Superintendent sums up as follows:

Mr. Hyde and his associates raise the point that the society did not lose by the purchase of these bonds, but that is no excuse for them. If the market went down the society would have lost, and if it went up the society should get the profit. They were trustees. Their first obligation was to the trust estate which they represented. They should not be permitted to make money for themselves at the loss or even at the risk of the society. The profits which they and each of them realized belong to the society. Mr. Hyde and Mr. Alexander seem to have thought so, or were so advised by their counsel after the trouble began, for one of these gentlemen turned over to Mr. Murray as trustee all, and the other a large part, of his profits from these transactions. All these men should be compelled to pay back to the society these several amounts with interest. This is only very mild punishment. And the affiliated companies should also pay to the society the several amounts received by them less any portions thereof which the society has received in the form of dividends.

SALARIES.

An examination of the salary lists convinces the Superintendent that the ordinary clerks and employees are not overpaid. The "extravagance and waste" in the form of personal compensation appear in the salary list of high executive officers and their immediate and favored assistants.

A tabular statement of the salaries paid in the executive department since 1900 shows year by year the amount paid to each officer, and how a gradual increase has been made. We condense this table so as to show the amounts paid the first and last years of the series:

Name.	1900.	1905.
James W. Alexander, president	$75,000	$100,000
J. H. Hyde, vice president	30,000	100,000
G. E. Tarbell, second vice president	50,000	60,000
G. T. Wilson, third vice president	25,000	30,000
W. H. McIntyre, fourth vice president	10,000	30,000
W. Alexander, secretary	25,000	25,000
H. R. Winthrop, assistant secretary	.....	6,000
J. G. Van Cise, actuary	17,500	17,500
T. D. Jordan, comptroller	25,000	35,000
S. D. Ripley, treasurer	18,000	18,000
W. D. Bremner, assistant treasurer	.....	4,800
F. W. Jackson, auditor	10,000	12,500
S. C. Bolling, superintendent of agencies	.....	18,000
J. B. Loring, registrar	3,500	3,500
E. W. Lambert, medical director	25,000	25,000
Edward Curtis, medical director	15,000	15,000
W. R. Bross, medical director	.....	12,000
Arthur Pell, medical director	.....	10,000
M. Murray, cashier	10,000	15,000
R. G. Hann, assistant actuary	7,500	7,500
Robert Henderson, assistant actuary	.....	5,000
S. S. McCurdy, assistant registrar	.....	4,200
A. W. Maine, associate auditor	10,000	12,000
H. R. Coursen, assistant auditor	.....	10,000
W. P. Halsted, collector	6,000	3,600
W. E. Johnson, mortgage registrar	.....	10,000
Samuel Frost, recorder	2,600	4,000
George H. Squire, financial manager	15,000	20,000

In five years the aggregate amount of salaries rose from $380,100 to $613,600, an increase of 61.43 per cent.

The income derived from the position of directors in affiliated companies by the officers is also alluded to. Also Mr. James Hazen Hyde's expense account as an officer. "He did not submit any itemized statements. These lump sums were paid on his vouchers." "He drew upon the society's treasury for $12,800 to pay the bill for the Cambon dinner with no other authority than his own."

Fees to lawyers in the last five years are tabulated in the report, from which it appears that during that time Alexander & Green received $171,200, Alexander & Colby $122,000, Chauncey M. Depew $120,000, C. B. Alexander $24,000, David B. Hill $32,500 and Elihu Root, $35,000. These fees do not include those accrued since the present litigation began.

A pension paid to the widow of Henry B. Hyde of $25,000 a year since 1900 is mentioned. The Superintendent remarks that "I doubt very much if the officers of the society have any legal right to give away to Mrs. Hyde this money, which rightfully belongs to the policyholders."

The following is the conclusion of the report:

The board of directors at the beginning of this year was composed of prominent and distinguished men, who are successful in their various fields of activity. But most of them paid little attention to their duties and obligations as trustees of this very important trust. The annual and quarterly meetings were not largely attended. They seem to have taken no very active interest in the affairs of the society. The mildest thing which can be said of them is that they were indifferent and careless in the discharge of their obligations and responsibilities.

ALEXANDER SLIGHTLY CENSURED.

President Alexander has been connected with this society for almost a lifetime. He has heretofore had the respect and confidence of all who knew him. In his testimony he stated that he was not conscious of any wrongdoing, and that he was led

to participate in the syndicate transactions of James H. Hyde and associates by Mr. Hyde without giving the matter such serious consideration as it deserved. The uncontroverted testimony was that he was a participant in them and accepted his share of the profits. He executed the leases that proved to be so detrimental to the society's interests. He was cognizant of and approved the various subsidiary undertakings which we have criticised, and by reason thereof has failed to meet the obligations imposed upon him as chief officer of the society, and it is an open question whether he is not disqualified under Section 36 of the insurance law from hereafter holding any office in a life insurance company, as well as all the other officers and directors who participated in these unlawful transactions.

HYDE EXCORIATED.

Mr. Hyde, on the death of his father, became the owner of 502 shares of the Equitable Society stock and acquired thirty-five additional shares, making a good working majority. He knew this and others were quickly made aware of it. He did not hesitate to extract from the society's treasury $352,500 for his stock in the Missouri Safe Deposit Company, made valuable only by the outrageous leases with the parent society. He permitted the society to lose heavily in its business transactions with the Commercial Trust Company, of which he is a salaried officer and a large stockholder. He was very active in promoting the transactions by which the present Equitable Trust Company was developed, and he thereby profited largely and became vice president at a liberal salary. By reason of the Equitable Society's control of the Mercantile Trust Company he became vice president of that institution with a good salary. He has been accustomed to buy large amounts of securities and involve the society in other important ventures without authority. He has carried large holdings of the society's stocks in his own name. He exacted salaries out of all proportion to his age, ability, or value of his services, and caused those of his immediate friends and favorites to be unduly advanced.

He is mainly responsible for the extravagant salaries allowed many executive officers. He has been accustomed to draw large sums for expenses on his own unitemized vouchers. In fact, he has not seemed to consider himself accountable to any one for the expenditure of the society's funds. He introduced and conducted the syndicate transactions and involved others with himself. He forced himself on boards of direction, and into business relations with prominent men, by the aggressive assertion of his stock control of the Equitable Society, and by those means he gradually assumed domination of the society's affairs until the presidency was reduced to a position of secondary importance. His authority continued to increase and he proceeded to use the society and its assets more and more as if they were his own, until he was checked by the demand for mutualization and his retirement.

The policyholders are under great obligations to Mr. Alexander and the other executive officers for taking this step.

TARBELL EXONERATED.

The following charges have been made against Mr. Tarbell by some of the other executive officers:

That he has been extravagant in the administration of the agency department.

That he has encouraged or connived at rebating.

That during several months last past he has been allowing to agents $4 a thousand for new insurance in addition to the regular percentage without consulting the executive committee.

That just before this controversy he received from the society $135,000 cash in settlement of his claim for commuted commissions in the Chicago agency.

That he encouraged insubordination by inducing executive officers and heads of departments and even clerks to sign a petition against the vice president, and that he has been instrumental in circulating literature criticising and slandering certain officers of the society, in direct violation of a resolution of the executive committee.

On these charges I find that in the year 1900 a new system was inaugurated, by which the percentage of first premiums on new business allowed to agents was reduced from 60 to 50 per cent. This made it very difficult for the field agents to compete with those of other large companies, who allowed their agents larger percentages, and therefore the advances to them were increased in order that they might live and continue in the service of the society. I doubt if the increased advances amount to as much as 10 per cent. of the first premiums on new business saved, and therefore the society is not a loser.

Mr. Tarbell swears that he has not even connived at rebating, but that on the contrary he has always denounced and tried to stop it, and no evidence has been adduced in support of this allegation by those who made it.

Mr. Tarbell admits that during the last few months he has been allowing to agents $4 per thousand on new insurance in addition to the regular percentage, and says this was done after consultation with and approval of the president. It does not appear to be a bonus in the ordinary sense of that word, but an extra compensation to sustain the agency force during these trying times. That may have been an error in judgment, but there is much excuse for Mr. Tarbell in striving to keep up the business of the society and retain its agents.

It appears the sum of $135,000 paid Mr. Tarbell was computed in the auditor's department as the amount due him for his commuted commissions, and no evidence has been adduced showing that he was overpaid.

Mr. Tarbell denies that he was instrumental in or encouraged the circulation of literature in criticism of other officers of the society, and no substantial evidence appears in support of this or the other charges preferred against him.

INVESTMENTS.

I think it important that the next Legislature should take into consideration the question of the investment of the funds of life insurance companies and establish a standard of investment. As to just how far or to what extent they should be restricted in their investments I am not prepared to offer an opinion at this time. Doubtless that question will be studied and thought out by the time of the next annual meeting of the Legislature. There can be no question, however, of the wisdom of prohibiting the investment of the funds of life insurance companies in subsidiary moneyed and business corporations controlled by life insurance companies, which occasion the carrying of large balances for the benefit of those companies and for the stockholders who are largely associated in the management of the society.

The suggestion that these large balances were carried for the purpose of enabling the society to avail itself of the opportunity to purchase securities at a low price is not sustained from the fact that large balances were carried during the years 1903 and 1904, when securities could have been purchased at a much lower level or the money loaned at much higher rates than were being paid by the affiliated companies. If life insurance is to commend itself to the people to provide for those who are left behind, it is important that the business of the insurance companies be conducted on strictly business lines and that extravagance of management and large salaries should be reduced within proper limits.

ELIMINATE STOCK CONTROL.

During the progress of this investigation a change in the stock control of the society has been made, and three trustees have been empowered under a deed of trust to partially mutualize the society; that is, it is provided that twenty-eight of the directors should be elected by the policyholders and twenty-four by the stockholders, with the promise that there would be a reduction in the expenses of the company, and that the managers would institute other reforms in the management of the society which would inure to the benefit of the policyholders. I do not question but what this is the honest intention of those who have acquired the control of the stock of the society. I do not think, however, that this will go far toward restoring the confidence of the present policyholders or aid in procuring new business for the society. In my opinion the only thing that will restore that confidence and benefit the company will be the elimination of stock control, and what I deem of equal importance, the elimination of Wall Street control.

I early came to the opinion, and so expressed myself to the Legislature in the department's annual report this year, that all the surplus accretions of this society beyond the 7 per cent. dividends on the stock belong to the policyholders. The charter provides that the business of the society should be conducted on the mutual plan, and provides that each policyholder shall be credited with an equitable share of the surplus. And I am confirmed in my opinion by an examination of the statements that were made early in the existence of this society to the Insurance Department, verified under oath by the president of the society, that it was a purely mutual company and that all its surplus should be divided in an equitable manner among the policyholders, and still further by an examination of the affidavits made on behalf of the society to the Commissioner of Taxes and Assessments of the city of New York, containing the statement that no surplus earnings belong to the stockholders, and that all the accumulations of the society are held for the benefit of the assured and are free from taxation.

COMPLETE MUTUALIZATION.

No superficial measures will correct the existing evils in this society. A cancer cannot be cured by treating the symptoms.

(*Continued on page* 596.)

Fire Insurance Business in Virginia in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$8,987,244	$136,903	$56,038
Agricultural, Watertown	2,485,400	37,527	13,619
Atlanta Birmingham, Atlanta	1,394,231	22,841	9,454
Atlas, London	229,595	3,654	....
British America, Toronto	1,172,919	20,084	11,334
Caledonian, Edinburgh	938,566	16,292	10,999
Citizens, St. Louis	1,973,530	35,661	17,951
Colonial, Washington	502,014	9,392	6,906
Commercial Union, London	3,930,956	60,726	27,573
Continental, New York	5,388,701	88,383	37,425
Equitable, Charleston, S. C.	986,583	17,232	8,213
Fire Association, Philadelphia	3,446,981	60,623	29,935
Fireman's Fund, San Francisco	4,945,140	76,534	46,673
Georgia Home, Columbus	2,465,171	39,612	26,486
Glens Falls, Glens Falls	756,981	10,152	3,356
German, Freeport	499,841	7,777	....
German, Baltimore	483,725	7,869	756
German Alliance, New York	1,083,181	20,797	14,662
German American, New York	3,596,652	42,989	16,759
Germania Fire, New York	3,493,041	46,986	10,193
Hamburg Bremen, Hamburg	3,971,122	70,060	28,715
Hanover Fire, New York	2,830,254	39,417	22,889
Hartford Fire, Hartford	12,065,683	190,035	100,313
Home, New York	14,060,947	181,364	138,530
Indianapolis Fire, Indianapolis	1,005,747	19,043	6,845
Insurance Co. N. America	2,319,157	41,921	27,454
Law Union and Crown	204,332	3,725	3,991
Liverpool and London and Globe	10,040,670	150,994	89,116
London and Lancashire	1,554,871	24,382	11,507
London Assurance, London	1,972,135	34,158	21,877
Milwaukee Mechanics, Milwaukee	767,935	14,091	4,174
National Fire, Hartford	3,100,898	49,521	21,545
New Brunswick, New Brunswick	64,359	739	....
New York Fire, New York	252,936	3,718	28
Niagara Fire, New York	1,463,282	25,395	9,444
N. British and Mercantile, London	3,767,076	55,529	42,011
Northern, London	4,096,915	52,638	32,584
Norwich Union, Norwich	2,301,125	39,784	18,274
Orient, Hartford	1,198,906	13,805	7,337
Palatine, London	1,425,528	21,311	11,991
Pelican, New York	285,616	4,031	1,633
Pennsylvania Fire, Philadelphia	2,795,000	47,697	22,938
Petersburgh Savings, Petersburgh	4,409,537	66,744	20,581
Phenix, Brooklyn	4,927,063	86,378	46,814
Phœnix, Hartford	2,744,117	41,087	17,322
Phœnix, London	2,832,112	54,909	46,872
Prudential, Richmond	3,322,038	62,242	21,100
Queen, New York	3,069,822	52,531	31,332
Rochester German, Rochester	1,754,205	26,496	5,849
Royal, Liverpool	3,342,842	47,689	26,441
St. Paul F. and M., St. Paul	1,412,830	21,373	18,116
Scottish Union and Nat., Edinburgh	1,520,510	25,321	10,779
Seaboard Fire, Norfolk	800,000	15,569	4,873
Skandia, Stockholm	347,660	5,340	2,621
South'n Undrwrtrs, Greensboro, N. C.	287,574	4,729	374
Sun, London	750,510	22,672	3,155
Toledo F. and M., Toledo	55,500	1,500	....
Traders, Chicago	756,605	11,363	1,471
Union, London	1,979,987	42,455	35,314
United States Fire, New York	1,624,946	22,800	11,561
Virginia Fire and Marine, Richmond	13,063,381	207,641	109,033
Virginia State, Richmond	9,648,161	156,376	63,314
Westchester Fire, New York	1,950,379	29,836	12,619
Western, Toronto	4,152,502	40,353	30,895
Williamsburgh City Fire, N. Y.	1,019,562	15,702	4,827
Totals, 1904	$186,073,789	$2,906,498	$1,496,791
Comparison with Business of Previous Years.			
1903	$183,180,856	$2,778,549	$1,255,321
1902	170,927,456	2,691,245	1,421,646
1901	172,241,212	2,302,410	1,610,460
1900	161,953,940	2,126,615	1,528,669
1899	134,273,021	1,889,089	858,277
1898	124,460,899	1,719,272	695,242
1897	116,545,018	1,659,937	896,588
1896	112,642,118	1,565,123	713,173
1895	100,554,344	1,491,615	500,538
1894	110,663,406	1,598,356	822,023
1893	127,689,387	1,656,054	1,416,464
1892	127,969,193	1,750,525	1,300,037
1891	116,601,277	1,526,650	942,246
1880 to 1890 inclusive	912,486,112	11,619,866	7,316,632

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 57.9. The percentage in 1904 was 51.4.

Fire Insurance Business in South Carolina in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$6,710,312	$111,839	$51,536
Agricultural, Watertown	316,100	3,858	171
American, Boston	152,157	1,579	607
American Central, St. Louis	206,469	3,975	2,652
American Fire, Philadelphia	1,436,262	22,772	17,842
Assurance Co. of America, N. Y.	70,073	651	607
Atlanta-Birmingham, Atlanta	$542,601	$9,038	$4,174
Atlas, London	274,570	4,903	31
British America, Toronto	518,603	9,762	6,927
Caledonian, Edinburgh	274,247	4,223	.....
Citizens, St. Louis	593,080	11,057	10,179
Commercial Union, London	2,976,345	27,302	13,826
Connecticut Fire, Hartford	330,100	4,952	702
Continental Fire, New York	3,108,919	52,682	26,378
Fire Association, Philadelphia	2,667,465	32,058	14,047
Fireman's Fund, San Francisco	3,732,834	24,817	14,281
Georgia Home, Columbus	791,765	11,051	10,922
German, Freeport	780,164	9,143	3,012
German Alliance, New York	134,200	2,324	27
German American, New York	3,772,767	26,450	14,910
Germania Fire, New York	997,820	13,895	4,033
Glens Falls, Glens Falls	3,130,923	29,926	16,128
Globe and Rutgers Fire, New York	693,590	14,426	4,943
Hamburg-Bremen, Hamburg	309,625	6,776	1,390
Hanover Fire, New York	2,299,415	20,251	9,280
Hartford Fire, Hartford	8,357,892	103,789	41,562
Home, New York	7,517,917	76,319	78,237
Indianapolis Fire, Indianapolis	15,391	287	2
Ins. Co. of N. America, Philadelphia	2,274,215	41,177	30,076
Law Union and Crown, London	300,737	1,479	1,056
Liv., Lon. and Globe, Liverpool	5,895,179	87,321	55,145
London and Lancashire, Liverpool	3,838,457	11,413	3,869
London Assurance Corporation	344,120	6,149	352
Milwaukee Mechanics, Milwaukee	468,904	5,288	4,706
National, Dublin	4,980	10	.....
National Fire, Hartford	2,246,172	14,555	3,791
New Brunswick F., New Brunswick	18,355	347	413
New Hampshire Fire, Manchester	1,412,433	20,551	10,663
New York Fire, New York	137,748	1,816	551
Niagara Fire, New York	618,937	12,192	9,111
N. British and Mercantile, London	4,123,445	26,212	19,460
Northern, London	3,481,298	19,054	15,949
Norwich Union, Norwich	1,291,364	21,782	17,767
Orient, Hartford	568,277	5,071	3,945
Palatine, London	534,558	9,019	2,393
Pelican, New York	39,137	751	1,144
Pennsylvania Fire, Philadelphia	1,187,000	22,548	9,642
Phenix, Brooklyn	2,683,812	49,532	26,905
Phœnix, Hartford	3,286,719	28,556	21,454
Phœnix, London	501,850	13,595	13,796
Queen, New York	3,911,473	28,309	15,423
Rochester German, Rochester	1,121,476	16,931	1,540
Royal, Liverpool	3,319,303	36,577	15,373
Royal Exchange, London	1,175,023	18,583	3,090
St. Paul Fire and Marine, St. Paul	622,878	8,607	4,525
Scottish U. and N., Edinburgh	1,507,207	9,714	3,838
Southern Stock Mutual, Greensboro	803,968	14,505	8,166
Southern Underwriters, Greensboro	458,235	8,312	6,843
Springfield F. and M., Springfield	2,571,751	21,789	17,842
Sun, London	651,858	15,562	3,752
Sun, New Orleans	310,276	6,451	5,050
Teutonia, New Orleans	239,923	4,777	4,018
Toledo Fire and Marine, Toledo	41,661	988	.....
Traders, Chicago	547,305	10,582	4,390
Union, London	1,083,172	8,451	8,656
Virginia State, Richmond	382,910	6,754	3,366
Westchester Fire, New York	816,803	13,716	12,250
Western, Toronto	2,015,077	15,755	12,547
Williamsburgh City Fire, New York	219,229	3,171	1,188
Totals, 1904	$109,768,831	$1,228,057	$732,451
Comparison With Business of Previous Years.			
1903	$92,034,826	$1,640,253	$543,488
1902	83,232,691	1,141,534	685,619
1901	68,124,822	904,554	516,834
1900	74,709,918	978,416	389,175
1899	56,897,130	791,409	330,457
1898	46,172,063	704,056	650,982
1897	43,509,449	660,873	282,518
1896	42,802,986	649,906	301,277
1895	43,058,101	656,859	367,756
1894	43,057,308	639,968	437,658
1893	50,248,020	718,605	654,443
1892	53.668,767	702,552	618,357
1891	53,531,870	714,547	339,850
1880 to 1890	502,977,051	6,095,038	2,768,526

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 52.8. The percentage for 1904 was 59.6.

Fire Insurance Business in Mississippi in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$6,458,712	$105,492	$71,641
Agricultural, Watertown	333,400	6,193	13,594
American Central, St. Louis	335,584	9,815	21,474
American, Boston	213,287	2,760	2,551
American Fire, Philadelphia	2,264,406	39,352	43,412
Atlanta Birmingham, Atlanta	889,318	20,881	9,034
Atlas, London	167,495	3,629	....
British America, Toronto	392,289	8,474	7,374
Citizens, St. Louis	639,605	14,734	8,445
Cologne Reinsurance, Cologne	40,820	579	....

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Colonial, Washington	$159,248	$3,652	$721
Colonial, New York	131,904	2,883	.....
Commercial Union, London	2,252,055	50,573	44,789
Concordia, Milwaukee	223,626	5,839	431
Continental, New York	1,158,843	28,077	71,340
Delaware, Philadelphia	328,488	8,512	362
Dutchess, Poughkeepsie	175,772	6,151	2,316
Fire Association, Philadelphia	2,478,359	59,063	58,637
Fireman's Fund, San Francisco	1,655,485	30,690	15,890
Georgia Home, Atlanta	1,299,834	29,104	27,632
German, Freeport	1,586,137	29,775	38,155
German Alliance, New York	22,320	322	.....
German American, New York	1,964,786	31,336	18,503
Globe and Rutgers, New York	953,882	34,204	347
Hartford Fire, Hartford	6,783,210	132,838	99,492
Home, New York	12,375,541	189,506	144,492
Indemnity Fire, New York	256,688	6,188	2,067
Insurance Co. of N. America	3,107,740	80,020	71,865
Liv. and Lon. and Globe, Liverpool	10,836,849	164,362	142,065
Liv. and Lon. and Globe, New York	901,981	12,411	7,738
London and Lancashire, Liverpool	2,105,436	32,699	15,866
London Assurance Corporation	579,242	14,046	16,100
Mechanics and Traders, New Orleans	2,121,673	30,695	19,814
Merchants Union, Mississippi	2,009,644	36,916	19,923
Mississippi Fire, Senatobia	2,424,467	75,463	66,735
Mississippi Home, Vicksburg	3,554,801	91,414	62,498
Moscow Fire, Moscow	699,283	7,189	6
National Fire, Hartford	2,418,569	55,719	48,109
New Brunswick, New Brunswick	46,380	641	2
New York Fire, New York	106,775	1,066	9
Niagara Fire, New York	726,058	16,832	6,530
N. British and Mercantile, N. Y.	2,018,999	36,112	49,517
Northern, New York	294,154	7,222	537
Northern, London	1,435,960	16,934	28,537
Norwich Union, Norwich	863,448	22,595	33,882
Palatine, London	1,019,669	32,562	32,762
Pennsylvania Fire, Philadelphia	1,513,000	36,579	25,516
Phenix, Brooklyn	4,600,940	131,838	57,849
Phœnix, Hartford	2,609,586	43,120	24,466
Phœnix, London	1,574,342	47,632	43,653
Providence Washington, Providence	1,916,636	36,052	48,138
Queen, New York	2,311,207	45,028	39,061
Royal, Liverpool	4,673,951	62,583	71,805
St. Paul Fire and Marine, St. Paul	1,179,806	16,780	8,063
Salamandra, St. Petersburg	1,143,559	22,911	9,622
Scottish Union and Nat., Edinburgh	758,373	17,388	5,389
Springfield F. and M., Springfield	1,771,665	30,128	18,524
Southern, New Orleans	799,437	24,829	35,274
Sun, London	815,647	13,764	17,594
Sun, New Orleans	1,510,962	53,407	49,678
Teutonia, New Orleans	2,175,340	31,023	45,734
Toledo F. and M., Toledo	405,475	4,924	3,333
Traders, Chicago	1,193,999	27,882	22,443
United States Fire, New York	450,000	5,382	.....
Virginia F. and M., Richmond	825,459	22,205	4,826
Virginia State, Richmond	1,210,676	40,722	37,707
Westchester Fire, New York	797,421	22,779	29,877
Western, Toronto	2,145,556	31,824	48,492
Totals, 1904	$119,915,259	$2,364,300	$1,972,238
Comparison with Business of Previous Years.			
1903	$98,627,819	$1,922,870	$852,295
1902	80,802,266	1,614,416	813,813
1901	75,768,383	1,374,151	773,268
1900	72,813,137	1,392,027	718,534
1899	63,788,019	1,156,812	588,048
1898	48,831,673	921,881	392,559
1897	51,832,277	890,348	266,554
1896	40,755,723	866,162	399,712
1895	42,092,487	827,480	431,765
1894	37,951,832	787,985	376,014
1893	37,902,930	750,680	421,062
1892	40,008,114	731,501	398,350
1891	36,228,205	665,944	463,617
1880 to 1890	282,089,604	5,161,721	2,890,440

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 54.9. The percentage in 1904 was 83.3.

Fire Insurance Business in Utah in 1904.

(Reported by the Companies to The Weekly Underwriter.)

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Aachen and Munich, Aix-la-Chapelle	$527,520	$8,330	$1,631
Ætna, Hartford	421,700	7,141	23
Agricultural, Watertown	224,000	3,357	306
Allemannia Fire, Pittsburgh	338,967	5,440	804
Alliance, London	375,774	6,547	162
American, Boston	1,169,680	15,596	2,939
American, Newark	221,595	4,037	188
American Central, St. Louis	241,607	5,023	25
American Fire, Philadelphia	418,465	5,058	952
Anchor Fire, Cincinnati	222,415	3,566	157
Assurance Co. of America, N. Y.	$8,400	$144	.....
Atlas, London	492,875	8,568	$763
British America, Toronto	444,675	6,079	3,269
Caledonian, Edinburgh	371,048	5,750	43
Caledonian American, New York	28,750	420	5
Camden Fire, Camden	51,071	783	.....
Citizens, St. Louis	173,786	4,017	321
Commercial Union, London	749,424	10,405	338
Concordia, Milwaukee	40,650	619	.....
Connecticut Fire, Hartford	480,098	7,912	239
Continental, New York	925,940	15,161	4,512
Delaware, Philadelphia	111,701	2,864	66
Dutchess, Poughkeepsie	847,544	12,684	4,440
Fire Association, Philadelphia	272,823	6,148	31
Fireman's Fund, San Francisco	1,958,628	23,774	5,286
Franklin Fire, Philadelphia	446,492	6,884	1,789
German, Freeport	1,332,397	13,185	2,235
German, Peoria	435,790	6,816	1,684
German Alliance, New York	270,195	3,277	2,282
German American, New York	518,879	8,456	142
German National, Chicago	325,957	4,594	55
Germania Fire, New York	499,188	6,650	426
Girard Fire and Marine, Philadelphia	469,685	6,832	22
Glens Falls, Glens Falls	412,405	4,180	128
Globe and Rutgers Fire, New York	443,620	7,782	3,007
Hamburg-Bremen, Hamburg	227,105	3,769	.....
Hanover Fire, New York	362,595	5,567	4,124
Hartford Fire, Hartford	4,345,861	76,677	31,544
Home, New York	2,309,950	36,634	9,118
Home, Salt Lake City	4,551,527	73,391	15,365
Home F. and M., San Francisco	335,403	5,527	35
Indianapolis Fire, Indianapolis	8,000	167	3
Insurance Co. of North America	515,569	9,180	1,225
Kings County Fire, New York	26,900	318	.....
Law Union and Crown, Liverpool	215,197	3,627	20
Liver. and London and Globe, Liv.	730,785	11,656	213
Liver. and London and Globe, N. Y.	54,987	894	11
London and Lancashire, Liverpool	380,100	7,377	199
London Assurance Corporation	406,042	6,139	214
Mercantile Fire and Marine, Boston	82,282	1,595	547
Michigan Fire and Marine, Detroit	62,750	1,156	11
Milwaukee Mechanics, Milwaukee	592,288	8,186	1,621
National Fire, Hartford	568,483	9,795	1,233
National Union, Philadelphia	639,225	6,728	1,448
New Hampshire Fire, Manchester	221,635	3,068	.....
New York Fire, New York	34,600	338	.....
New Zealand F. and M., Auckland	226,050	4,031	58
Niagara Fire, New York	243,296	3,843	18
North British and Mercantile, London	976,742	17,606	5,256
Northern, London	282,000	5,543	530
Northwestern National, Milwaukee	894,490	9,084	3,158
Norwich Union, Norwich	344,039	6,605	499
Orient, Hartford	72,950	1,133	2
Palatine, London	929,230	15,877	1,624
Pelican, New York	18,454	387	.....
Pennsylvania Fire, Philadelphia	216,000	4,175	1,163
Phenix, Brooklyn	266,350	5,567	1,468
Phœnix, Hartford	384,622	6,168	1,932
Phœnix, London	307,476	6,436	142
Providence Washington, Providence	101,369	1,498	3
Prussian National, Stettin	384,565	4,904	312
Queen, New York	519,072	8,397	457
Rochester German, Rochester	133,290	2,007	362
Royal, Liverpool	888,302	17,133	919
Royal Exchange, London	257,350	4,523	674
St. Paul Fire and Marine, St. Paul	615,235	4,933	55
Scottish Union and Nat., Edinburgh	352,397	5,908	1,612
Springfield F. and M., Springfield	258,140	4,814	1,310
Spring Garden, Philadelphia	28,000	420	2
State Fire, Liverpool	38,900	866	.....
Sun, London	508,485	8,720	2,030
Svea, Gothenburg	276,090	4,866	686
Teutonia, New Orleans	90,592	1,479	.....
Traders, Chicago	95,100	1,437	9
Transatlantic Fire, Hamburg	188,475	3,333	5
Union Assurance, London	337,304	5,177	44
United Firemen's, Philadelphia	154,550	1,745	156
Victoria Fire, New York	24,200	431	.....
Westchester Fire, New York	592,527	10,034	3,867
Western, Toronto	280,900	4,596	233
Williamsburgh City Fire, New York	739,127	12,234	7,433
Totals, 1904	$44,970,697	$705,778	$141,220
Comparison with Business of Previous Years.			
1903	$36,311,225	$587,069	$440,071
1902	33,551,450	536,667	328,296
1901	35,410,301	491,491	268,130
1900	28,457,553	486,410	108,789
1899	24,865,278	440,554	92,384
1898	26,324,092	441,931	231,857
1897	19,697,212	361,976	215,829
1896	16,621,320	278,891	82,017
1895	21,778,723	285,099	168,324
1894	20,828,551	346,990	123,094
1893	29,605,742	337,130	262,383
1892	20,543,362	389,356	178,897
1891	17,456,171	333,321	113,497
1880 to 1890	78,457,885	1,541,644	562,889

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 43.8. The percentage in 1904 was 20.0.

(*Continued from page 593.*)

Complete mutualization with the elimination of the stock, to be paid for at a price only commensurate with its dividends, is, in my opinion, the only sure measure of relief.

This report, with a copy of the evidence taken on this investigation, will be transmitted to the Attorney General for such action thereon as he may deem proper.

Respectfully submitted, FRANCIS HENDRICKS,
Superintendent of Insurance.

PRESIDENT ROOSEVELT ON THE SITUATION.

President Roosevelt has written a letter to Paul Morton, chairman of the board of directors, defending him from the accusations made against him in connection with the Atchison, Topeka and Santa Fé Railroad, and incidentally the President makes the following allusions to Mr. Morton's assumption of the supreme management of the Equitable Society:

Since I accepted your resignation as a member of my Cabinet you have undertaken perhaps the greatest and most important work now open to any business man, in assuming control of the Equitable Life Assurance Society. You do not need to be told again the confidence I have in you and my belief in your absolute sincerity of purpose and your unflinching courage.

I know that the mere fact that you have consented thus to take control of the society means that there will be a genuine attempt to make a new, clean management, a control really and honestly in the interest of the policyholders, and one which will make impossible the crooked and objectionable practices that have hitherto prevailed in the society.

Ex-President Cleveland, in consenting to act as one of the three trustees to hold the stock of the society and to use the voting power of such stock in the selection of directors, concludes his letter by saying: "We shall be safer if we regain our old habit of looking at the appropriation to personal uses of property and interests held in trust in the same light as other forms of stealing."

In other words, you and Mr. Cleveland intend to see that the affairs of the society are managed not merely with the honesty requisite in order to keep clear of criminal proceedings but with the fine sense of honor which recognizes in the trustee—and that is what the man responsible for the management of any great business corporation is nowadays—the duty of managing his business affairs with a high sense of obligation not only to the stockholders and the policyholders but to the general public. * *

Your own policy will be, I know, to give the policyholders a square deal and to clean house thoroughly. You would not take such a position if you did not have a perfectly free hand, and if you were not unhampered by commitments to anybody. * *

Incidentally, it seems to me that what has occurred furnishes another argument for effective supervision by the National Goverment, if such supervision can be obtained, over all these great insurance corporations which do an interstate business.

ACTION TO BE TAKEN BY THE ATTORNEY GENERAL.

Attorney General Mayer announces that in view of the charges made by the Superintendent of Insurance in his report legal proceedings will be taken to establish the rights of the policyholders to restitution of any funds wrongfully withheld from them by the officers and directors. The following is his official statement:

Primarily I believe that an official should not predict what he will do. Performance is preferable to promise. It is manifest, however, that the people of the entire country are profoundly interested in the affairs of the Equitable Society. Therefore I think it is fitting to say that appropriate steps will be speedily taken by me:

First—To accomplish the return of any profits wrongfully made or retained by reason of trust relations or otherwise;

Second—To debar from holding office in this company any person who has been faithless to his trust or who has violated any provision of the law.

Third—To obtain an accounting of any waste or misapplication of funds for any reason whatsoever or by anybody.

There are certain other matters of importance which I am studying, but to which it would be premature to refer in detail. It might, for instance, be to the interest of the policyholders to have determined the character and occasion for some of the legal services paid for during the past few years.

But above all inquiries in regard to alleged delinquencies the greatest necessity of the situation is that the rights of the policyholders in all respects should be ascertained clearly and completely, and as quickly as is legally possible. In this and other particulars I shall try my best to attain results.

THE REPORT REFERRED TO DISTRICT ATTORNEY JEROME.

Governor Higgins has transmitted to the District Attorney of New York County the report of the Superintendent of Insurance, with the following letter:

I herewith inclose for your consideration a copy of the preliminary report of the Superintendent of Insurance upon the affairs of the Equitable Life Assurance Society of New York. The findings set forth in the report are based on evidence taken by the Superintendent under the insurance law. If, in your judgment, any of the alleged facts established by legal evidence would constitute criminal misconduct in the county of New York on the part of any person, I will, if you desire, request the Superintendent to submit to you the evidence taken before him.

RESIGNATIONS OF MESSRS. ALEXANDER AND HYDE ACCEPTED.

An event of importance which preceded the publication of the Superintendent's report was the acceptance of the resignations of President Alexander and Vice President Hyde, by Chairman Morton. Counsel for Mr. Hyde states that the latter had urged the chairman to act upon his resignation at once. From the same source comes the information that Mr. Hyde will maintain his right to the syndicate profits in the courts and will not dispose of any of his stock in the subsidiary companies. In reference to the attack on his father in the Superintendent's report, he believes that his father's reputation will take care of itself against all comers.

Ex-President Alexander is lying ill in New York with a recurrence of his chronic kidney difficulty, and as soon as possible will be removed to the Adirondacks by direction of his physicians for "complete rest."

Vice President Tarbell expresses himself as much pleased with the outcome of the Superintendent's investigation, in which he is acquitted of any intentional wrongdoing.

August Belmont has placed his resignation as a director in the hands of the trustees for their action.

The Governor has decided not to ask the Legislature now in special session to take action in the Equitable matter, as he believes that the courts will be adequate, through the action of the Attorney General, to safeguard the rights of the policyholders.

A SPECIAL EXAMINATION ORDERED BY CHAIRMAN MORTON.

On Monday Chairman Paul Morton made public a letter which he had addressed to Price, Waterhouse & Co. and Haskins & Sell, public accountants, requesting them to make a joint examination of the Equitable Society. The letter is as follows:

DEAR SIRS—As chairman of the board of the Equitable Life Assurance Society, I want to know the exact condition of the society as of June 10, 1905, the date of my election as chairman. With that end in view, you will please make jointly an examination of the accounts of the society. You will have access to all books, papers and records.

I desire that your report should be as complete and exhaustive as possible. Particular attention should be paid to ascertaining the facts upon the following subjects:

First—The society's annual expenses, including legal expenses, advertising expenses, agency expenses and cost of securing business.

Second—The real estate investments of the company, including in the case of each parcel the value at which it is carried upon the books of the society; the income which it yields and the fair valuation of the property, whether above or below the value at which it is carried on the books of the society. (If necessary, real estate experts may be employed in ascertaining the value and income of the real estate, subject, of course, to my approval as to men and terms.)

Third—The other investments of the society, their character and the circumstances under which they have been made.

Fourth—The society's surplus and the manner in which it is carried upon the books of the society.

Fifth—The methods of keeping the society's accounts and the respects in which its accounting may be improved.

Sixth—The relations between the society and the trust companies, banks, safe deposit companies and other institutions with

which the society is affiliated by ownership of considerable amounts of stock or otherwise. (In the case of every corporation in which the society has a dominant or important interest or with which the society has special relations, the ownership of stock other than that owned by the society should be ascertained as far as practicable.)

Seventh—The subjects covered by the report of the investigating committee, of which Mr. Frick was chairman, should be fully investigated.

Eighth—When the report of the New York Superintendent of Insurance has been made, that report should be carefully studied, and every matter covered by it or by the recommendations of the commissioner should be carefully examined.

The foregoing suggestions are not intended to limit the scope of your inquiries, which should be as broad as may be necessary in order to ascertain the precise condition of the affairs of the society. I shall from time to time designate other subjects which seem to call for special investigation.

It is important for all concerned that your investigation should be completed as promptly as possible, and you will accordingly inaugurate it at once and carry it forward with all possible vigor.

I suggest that each one of your firms place in general charge of this work one particular man with whom I may confer from time to time.

It is very essential that the entire matter should be treated confidentially, and I wish to confer with you as to when you shall begin this week and how you shall proceed.

Very truly yours, PAUL MORTON.

THE CRIMMINS COMMITTEE SATISFIED WITH THE RYAN CONTROL.

The policyholders' committee, of which John D. Crimmins is chairman, issued a statement on Saturday last to the policyholders of the society, expressing satisfaction with the condition of affairs consequent upon the acquisition of the Hyde stock by Thomas F. Ryan, the election of Paul Morton as chairman of the board of trustees and the transfer of the voting power to a committee of trustees composed of Messrs. Cleveland, O'Brien and Westinghouse. After recounting these transactions the statement concludes as follows:

This committee, therefore, represents to the policyholders that the recommendations made by them to bring about the immediate mutualization of the society have been practically agreed to; that the character of the trustees chosen to put such recommendations into execution guarantees that the same will be carried out in good faith. Fortunately, through all the controversy in which this society has become involved, no voice or suspicion has arisen as to the solvency of the society. In our opinion, the policyholders can, with every confidence, maintain their policies, with the full assurance that every obligation of the society will be fully met. We commend to all who hold the interests of the society at heart—officers, directors, policyholders and agents—that, forgetting past differences, they give to the society the loyalty and support which had made it one of the foremost financial institutions of the world.

The following resolutions, adopted by the policyholders' committee, were appended to the statement:

Whereas, This policyholders' committee was organized to obtain for the policyholders of the Equitable Life Assurance Society the right to vote for directors of said society; and

Whereas, The board of directors of the society, in pursuance of an agreement made with this committee, has adopted an amendment to its charter intended to give to the policyholders the right to elect twenty-eight out of the fifty-two directors of the society, which amendment is now awaiting action thereon by the Snperintendent of Insurance pending litigation as to its legality; and

Whereas, Thomas F. Ryan has lately acquired the ownership of the majority of the capital stock of the society which was formerly held by the Henry B. Hyde Trust, and has transferred the voting power thereof to Grover Cleveland, Morgan J. O'Brien and George Westinghouse, as voting trustees, directing and empowering them to vote for twenty-eight of the directors according to the desires of the policyholders, and to vote for the other twenty-four directors according to the uncontrolled discretion of said voting trustees, and also authorizing said voting trustees to nominate directors to fill the vacancies now existing in the board:

Resolved, That it is the opinion of this committee that the voting trust will assure an honest administration of the society's affairs, in the interest of the policyholders, and in view of the delay in the consummation of mutualization the present plan is entitled to the support of the policyholders of the society; that the power to nominate directors to fill the existing vacancies in the board, the power and duty to hereafter elect a majority of the directors upon the suggestion of the policyholders themselves, and to elect all other directors of their own uncontrolled choice, vested as it is in trustees of the highest character, justifies our belief that the objects for which this committee was organized will have been accomplished, as far as is possible at the present time, and that the rights and interests of the policyholders will be protected.

John D. Crimmins, John B. Stanchfield, E. M. Bloomingdale, E. H. Outerbridge, Charles B. Hubbell, Edwin Warfield, and Henry Morgenthau, committee; E. J. Esselstyn, secretary.

Mr. Ryan on Saturday caused the following statement to be issued in reference to the objection raised by some lawyers that the trust deed was apparently defective as to the qualifying of policyholders as directors:

The question of qualifying policyholders selected by the trustees to serve as directors of the Equitable Life Assurance Society was fully discussed with Mr. Cleveland and the other trustees, and it was agreed that there would be no difficulty in qualifying such policyholders in conformity with the law and the society's charter. There is, accordingly, no ground for anxiety from this source.

In the Tull suit against the Equitable Life, Justice Greenbaum, of the Supreme Court, on Monday vacated the order for the examination of Messrs. Alexander, Hyde and Tarbell. The Lord suit against mutualization, in which an appeal from the decision of Justice Maddox was taken and on which argument was to be had this week, has been allowed to go over to the fourth Monday of September next.

The Interests of the Equitable Life Policyholders Safe in the Hands of Grover Cleveland.

(The Insurance Post, Chicago.)

But the change which means most to the policyholders in the Equitable Life, and to the people who are interested in the soundness and stability of life insurance in general, is that which brought Grover Cleveland from his retirement. There is a character which gives the Equitable just what it needs in this emergency—the unswerving honesty, undaunted courage, unyielding adherence to correct standards and inborn and cultivated conservatism which have earned for Mr. Cleveland the confidence of the people. Even those who differed with him on political questions have learned since to know that he believed he was right, and once convinced of that, nothing—not even the Presidency or the future of the party of which he was head—could swerve him from his principles. In his honorable retirement he has been growing steadily in the confidence and regard of the public, as time has justified his course, and comparison with leaders who have come after him has enhanced his rugged and homely virtues. He has resisted all efforts to bring him back from private life until this call to insure a square deal in the Equitable came to him as a public duty more imperative than his own inclinations. He will be no figurehead. It was suggested to him, in the letter inviting him to become a trustee, that the duties would be light, but Mr. Cleveland does not propose to shirk responsibility. He accepted only on condition that he be allowed "to be absolutely free and undisturbed in the exercise of his judgment." Incidentally Mr. Cleveland further endeared himself to the public, although it may not increase his popularity with the financiers, by letting out a few characteristic thoughts about the value of common honesty as compared with "the madness of inordinate business scheming" on the part of men handling trust funds. He may shock Wall Street by his blunt Anglo-Saxon about "stealing" where "conversion" would be more elegant, but Wall Street needs shocking these days, so far as its straying from the old standards is concerned. Such statements as this in Mr. Cleveland's letter mean much to the Equitable and life insurance:

"We can better afford to slacken our pace than to abandon our old simple American standards of honesty, and we shall be safer if we regain our old habit of looking at the appropriation to personal uses of property and interests held in trust in the same light as other forms of stealing."

That means that the ex-President's great influence will not only be exerted for honesty and economy, but in favor of a slower and safer pace, and the substitution of a higher standard of success than mere bigness.

Men of Character are attracted to the Agency Force of the Northwestern

Because the Northwestern accepts business only from regular agents of the Company:

Because Northwestern policies command 100 cents on the dollar. Rebating has been prohibited since 1893.

Northwestern commissions are for Northwestern agents.

Best Results to Policy-Holders.

Most Attractive Policies.

Issues Partnership and Corporation Insurance.

For further information or an Agency, address:

H. F. NORRIS,
Superintendent of Agencies.

. . . . . The . . . . .

Northwestern

Mutual Life Insurance Co. of Milwaukee. . . . . .

H. L. PALMER, President. J. W. SKINNER, Secretary.
Organized 1857.

GROWTH OF COMPANY.

Year.	Insurance in Force.
1865	$ 11,217,155
1885	98,793,982
1905	708,552,287

Business of 1904 largest in history of Company.

Purely Mutual, and transacts business only in the United States.

PROOF OF PUBLIC CONFIDENCE

This Company has more premium paying business in force in the United States than any other Company, and for each of the last 11 years has had more New Insurances accepted and issued in America than any other Company.

The Number of Policies in force is greater than that of any other Company in America, greater than all the Regular Life Insurance Companies put together (less one) and can only be appreciated by comparison. It is a greater number than the Combined Population of Greater New York, Chicago, Philadelphia, Boston, St. Louis and Cleveland.

ASSETS, $128,094,315.24

Largest Office Building in the World—Madison Avenue, Fourth Avenue, 23d Street and 24th Street, New York City.

SIGNIFICANT FACTS

This Company's Policy-claims paid in 1904 averaged in number one for each minute and a fourth of each business day of 8 hours each and in amount $103 a minute the year through.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1904:

391 per day in number of Claims Paid.

6,561 per day in number of Policies issued.

$1,426,700.50 per day in New Insurance Written.

$114,060.67 per day in Payments to Policyholders and addition to Reserve.

$73,326.81 per day in Increase of Assets.

HOME OFFICE OF THE

Metropolitan Life Insurance Co.

INCORPORATED BY THE STATE OF NEW YORK

The Company OF the People, BY the People, FOR the People

ASSETS.

United States, City and R. R. Bonds and Stocks, .	$64,270,818.12
Bonds and Mortgages, .	33,094,145.00
Real Estate, ...	16,806,932.86
Cash, ...	7,323,372.74
Loans to Policyholders, .	2,889,649.63
Premiums deferred and in course of collection (net)	3,246,081.13
Accrued Interest, Rents, etc.	463,315.76
	$128,094,315.24

LIABILITIES.

Reinsurance Fund and Special Reserves, . .	$112,351,323.00
All other Liabilities, . .	907,772.25
Capital and Surplus, . .	14,835,219.99
	$128,094,315.24

Paid to Policyholders since Organization, plus the Amount now invested for their Security, ... $277,290,466.48

Number of Policies in Force, . . . 8,029,906

Amount of Outstanding Insurance, . . $1,470,424,281.00 Amount of Insurance Issued in 1904, . . $436,570,349.00

RECORD OF GROWTH IN TEN YEAR PERIODS:

	Income.	Assets.	Surplus.	Pols. in Force.	Outstanding Ins.	
1884—	$2,915,937.86	$2,304,004.87	$613,120.25	675,477	$77,658,420.00—	1884
1894—	18,208,742.75	22,326,622.16	4,034,028.21	3,574,909	441,375,367.00—	1894
1904—	55,985,756.91	128,094,315.24	14,835,219.99	8,029,906	1,470,424,281.00—	1904

In its Ordinary Department policies are issued for from $1,000 to $1,000,000 on individual lives, premiums payable annually, semi-annually and quarterly. In its Industrial Department policies are issued on all the insurable members of the family for weekly premiums.

Full particulars regarding the plans of the Metropolitan may be obtained at its Home Office, 1 Madison Ave., New York City, or of its Agents in all the principal cities of the United States and Canada.

OFFICERS:

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice President.
GEORGE H. GASTON, 2d Vice Pres.
GEORGE B. WOODWARD, 3d Vice Pres.
FRANK O. AYRES, 4th Vice Pres.
JAMES M. CRAIG, Actuary.
FREDERICK H. ECKER, Comptroller.
JAMES S. ROBERTS, Secretary.
JOHN R. HEGEMAN, Jr., Asst. Sec.
J. J. THOMPSON, Cashier and Asst. Sec.
T. R. RICHARDSON, Asst. Sec.
F. F. TAYLOR, Asst. Sec.
STEWART L. WOODFORD, Counsel.
THOMAS H. WILLARD, M. D., Med. Dl.
AUGUSTUS S. KNIGHT, M. D., Med. Dl.
W. S. MANNERS, M. D., Asst. Med. Dl.
E. M. HOLDEN, M. D., Asst. Med. Dl.
I. J. CAHEN, Manager Ordinary Dept.

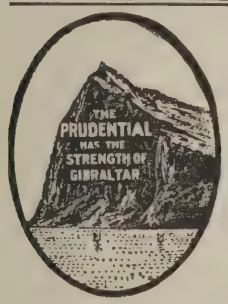
Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables

Every Man Interested

in selecting a profession that offers the greatest prospect of success should read the booklet, "CAREERS FOR THE COMING MEN," by Hon. JOHN F. DRYDEN. It is a practical discussion of the opportunities offered in the field of life insurance. A copy will be sent free upon request.



The Prudential

Insurance Company of America.

Incorporated as a stock company by the State of New Jersey.

Home Office: Newark, N. J.

JOHN F. DRYDEN, President.

Prudential Agents are money makers. Open territory for energetic men. The Grand Prize was awarded the Prudential at the St. Louis Exposition.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1904.

Assets, held in the U. S. for the special protection of its American Policyholders. $8,520,383.40

Liabilities, ... 5,204,870.83

Net Surplus, January 1st, 1904, $3,315,512.57

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

The Mutual Benefit

LIFE INSURANCE CO.

NEWARK, N. J.

FREDERICK FRELINGHUYSEN, PRESIDENT.

ASSETS (Market Values), Jan. 1, 1905, . .	$93,237,790.27
LIABILITIES, ...	85,918,227.30
SURPLUS, ...	7,319,562.97

MUTUAL BENEFIT POLICIES contain special and peculiar advantages which are not combined in the policies of any other company.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1905.

Cash Capital	$1,000,000.00
Premium Reserve	2,524,219.17
Reserve for Losses under Adjustment	182,967.55
Reserve for all other Claims	6,287.51
Net Surplus	2,639,225.50
Total Assets	$6,352,699.73

HUGO SCHUMANN, Pres't.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, GUSTAV KHER, } Secretaries.

CHARTERED 1866.

Hartford Life Insurance Co.

HARTFORD, CONN.

GEO. E. KENNEY, President. CHAS. H. BACALL, Secretary.

Up to date in business methods—in contracts—in plans. BEST Insurance to Buy or to Sell. Ordinary Life and Limited Payment Policies become Endowments at Age Eighty automatically.

$27,807,910 Paid to Beneficiaries.

Liberal Contracts for Business Getters.

INVESTIGATE.

THERE IS

Always a Good Opportunity for a Good Man

TO REPRESENT

The Mutual Life

INSURANCE COMPANY OF NEW YORK.

ITS REPUTATION INSURES SUCCESS FOR THE INTELLIGENT AND ACTIVE AGENT.

You are invited to apply for information upon this subject to

GEO. T. DEXTER, Superintendent of Domestic Agents,

32 NASSAU STREET, NEW YORK CITY.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905.

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353,488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**
DANIEL H. WELLS, Actuary.

1825. THE 1905.
Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

1851 Phoenix Mutual Life Insurance Company 1904
OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance. The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.

JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

Insurance Co. of North America,
232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

INCORPORATED 1865.
GERMAN INSURANCE CO.
OF FREEPORT, ILL.
The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1905,	$5,546,127.97
Cash Capital,	200,000.00
Liabilities, including reinsurance,	3,617,361.34
NET SURPLUS,	1,728,766.63

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Sec.

The Agricultural Insurance Company of Watertown, N. Y.
ESTABLISHED 1853.

Assets, January 1, 1904	$2,617,755.75
Total Liabilities, except Capital	1,406,159.17
Joint Stock Capital	500,000.00

THE METROPOLITAN PLATE GLASS AND CASUALTY INSURANCE COMPANY OF NEW YORK.
Home Office: 47 Cedar St.

Chartered 1874. The Oldest New York Company in Its Line.
Assets, January 1, 1904, $591,813.08.
Surplus to Policyholders, 389,895.29.

Plate Glass and Personal Accident Policies
OF THE MOST APPROVED FORMS

EUGENE H. WINSLOW, President, DANIEL D. WHITNEY, Vice-Pres't.
S. WM. BURTON, Secretary. ALONZO G. BROOKS, Ass't Sec'y.

RELIABLE AND ENERGETIC AGENTS WANTED.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXXII. NEW YORK, SATURDAY, JULY 1, 1905. No. 26.

Published every Saturday by the Underwriter Printing and Publishing Company.

Subscription price: Five Dollars per annum in advance.

All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

Entered at the New York, N. Y., Post Office as second class matter.

THE election as directors of the Equitable Life Assurance Society of nine representatives of the policyholders, at the request of the stock voting trustees, this week marks a substantial beginning of the work of placing the company under the control of its members. It seems to us that this is the most rational plan of preserving the company and safeguarding the interests of its policyholders. It is in the hands of three honest and able men, who have no purpose but that of securing these ends. And in again asking the confidence of the policyholders this week they say to them:

> We again bespeak your sensible and independent aid, uninfluenced by insidious and suspicious influences, and in return we pledge ourselves that, so far as it is given us to see our way, the conduct of our trust shall be actuated solely by a desire to secure and conserve your interests and promote the safety and success of the great life insurance organization of which you and your families are the promised beneficiaries.

The wild scheme put forth in some quarters of turning the society over to a receiver and organizing a mutual company to reinsure its business would only result in locking everything up in endless litigation, during which the prestige of the company would decline and its membership disintegrate.

IN carrying out the conservative policy of the new administration one important essential to success is the direction of the company's underwriting by a competent insurance man. The integrity of its finances may be safely left to the chairman of the board of directors reorganized in the interests of the policyholders by the election of experienced and upright business men, but neither Mr. Morton nor the new directors are life underwriters. The insurance side of the great company must be managed by a strong man also of experience and uprightness, and he must also be a new man to command the confidence of the policyholders and the public. Such a man, in our estimation, is Dr. William A. Fricke, if he can be induced to take the insurance helm of the Equitable Society. Out of the turmoil that has existed in life insurance affairs the past three years, he is the one man who has risen to conspicuousness as a leader of power and knowledge. It was he who broke the ground in Wisconsin for the accountability of the manager to the policyholder, and for the elimination of the speculative element in life insurance, which have led to the present general housecleaning that is going on. We believe that the company, in the throes of official changing—when the selection of the right man means so much to its future—needs this man who knows his business and cannot be bought. We "hold no brief" for Dr. Fricke, and have no information of his willingness to assume this great trust, but we do speak for sound insurance, and recognize the man of the hour.

THE retirement of the two principal officers of the Equitable has given rein to varied comment upon their character and services in the press, some of which is not to be commended. A contemporary terms them "miscreants." The Standard Dictionary defines a miscreant as "a vile wretch, an unprincipled fellow, a villain." Messrs. Alexander and Hyde are nothing of the kind. They are clean, respectable gentlemen, and if they have been advantaged by the position they have occupied, they have fallen into an error common to ninety-nine of every hundred business men. It is sheer hypocrisy in editors of daily and insurance papers to denounce them for transactions the like of which these editors, being human in the modern manner, make the most of when opportunity comes their way. No doubt it is immoral, but so long as you are all in the same boat, chastise the custom and purge yourselves of your sin before you single out your fellow sinner for censure. Mr. Alexander has been known to insurance newspaper men as a simple, gracious and helpful gentleman. His mistakes have been those common to men in his position, but that he deliberately stooped to plunder the people whose interests were entrusted in part to his care no one who is acquainted with his life believes. He certainly takes with him into his retirement the respect of everybody who has known him well. Mr. Hyde has come less in contact with the representatives of the press, and his personality therefore is not much of a factor with them. But it is no secret that their sympathy in the controversy through which he has been passing has been mostly with him. It is because of his striking characteristic of manliness. He was attacked, taken by surprise and unprepared, but he has never run or begged for quarter, and has stood up and met every blow, and is well in the front of the fight still. This young man's passionate and pathetic defense of his father appeals to the respect even of his detractors. We cannot foresee what ambitious attorneys general and district attorneys may do to ride on the storm of notoriety, but they cannot permanently injure Mr. Alexander or Mr. Hyde with right minded men.

WHEN Edward Bok took up the matter of alcoholic poisoning by patent medicines in his monthly paper he excited protest not only from the manufacturers of those nauseous nostrums, but also from some of their victims. But he proved his charges by submitting a report from the analyst of the Massachusetts State Board showing the large per cent. of alcohol in all the popular proprietary medicines of the day. Not only alcohol was shown in nearly all liquids, but in many cocaine and morphine also. The American people are the most prodigious swallowers of liquid patent medicines on the face of the earth, and

there can be no doubt that a majority of the cases of the liquor habit can be traced to their common use. Now comes a blast from the food commissioner of the State of North Dakota, who has been looking into the composition of the more extensively advertised proprietary medicinal preparations, and he shows that alcohol is their main ingredient. A contemporary, in summing up the commissioner's revelations, says:

The results of examination are given in regard to six of these "proprietary medicines." One, advertised as "a nerve and system builder and an invaluable tonic for brain and body," was found to contain 24.95 per cent. of alcohol, and a "stomach bitters" manufactured by the same concern and represented to be a "highly aromatic liquid and entirely free from injurious substances" contained 41.80 per cent. of alcohol and very little of anything else except sugar and water. As a medicine it must be about equivalent to whiskey. Another "ideal tonic and stimulant" had 30.31 per cent. of alcohol and about 6.7 per cent. of solids, "mainly sugar." Another widely advertised panacea, of which the name is flaunted pretty much everywhere, has 25.90 per cent. of alcohol and only "0.37 of total solids and an unweighable amount of ash." Another brand of "bitters" is 27.40 per cent. alcohol and a "grippe specific" 24.02 per cent., the only other ingredient of the latter beyond dilution being "sugar and a slight amount of coloring matter, probably caramel." The commissioner thinks "these products have but little to recommend them aside from the alcoholic portion."

Medical examiners for life insurance would do well to study the patent medicine habits of applicants as well as their custom in straight liquor drinking. The question is one that affects the health of the whole community, and is as worthy of investigation by legislatures as the management of policyholders' money in insurance companies. The assistance of the daily press cannot be invoked, for its voice is choked by the most lucrative form of advertising; but our all pervading President might serve a good cause by calling the attention of Congress to the dangerousness of "purely vegetable bitters" and "entirely harmless" coal extracts in one of his special messages.

Facts and Opinions.

The **conference on overhead writing between** the committee representing the National Association of Local Fire Insurance Agents and the officers of fire insurance companies was held on Tuesday at the rooms of the New York Board of Fire Underwriters. Vice President E. H. A. Correa, of the Home insurance company, was invited to preside over the conference, and Mr. H. H. Putnam to act as secretary. The conference was opened by a statement of the situation as it appeared to the local agents by various members of their committee. It was announced that the agents did not have any definite program which they desired the companies to adopt. They outlined the conditions relating to overhead writing, non-resident brokers and cut rate brokers as they saw them, stating that whatever action might be suggested or recommended by the companies to meet the situation would no doubt be of such a nature as to command the co-operation of the National Agents' Association and of all local agents who were desirous of effecting a reform. Several of the company managers present expressed the view that the question of overhead writing and collateral matters as outlined by the agents were also of concern to them, and that there was an opportunity for co-operation along lines which would serve alike the mutual interests of companies and agents. Upon motion, it was unanimously voted that the companies present deprecated in the abstract the practice of overhead writing in the territory of the agents, and it was voted also to appoint a joint committee of company officers and agents (six company officers and five agents) to take up the whole question in detail and if possible to formulate a programme which could be made effective by joint action of companies and agents. The following companies were represented: Liverpool and London and Globe, Continental, Fire Association, Royal, Royal Exchange, Union of London, London Assurance Corporation, Northern, Norwich Union, Providence-Washington, Ætna, Commercial Union, Williamsburgh City, Queen, Insurance Company of North America, New Hampshire, London and Lancashire, Alliance and Home. The agents' committee consisted of Charles P. Whitney, Chicago; Charles F. Wilson, Denver; A. W. Neale, Cleveland; W. B. Flickinger, Erie; E. J. Tapping, Milwaukee; A. H. Robinson, Louisville; Henry H. Putnam, Boston.

At a meeting of the companies associated to secure **reforms in tornado insurance** in the West, held in Chicago, the report of the committee which had been drafting a uniform policy was presented by C. R. Tuttle, of the Continental, chairman of the committee. He explained that after the draft had been made and generally approved, a conference was requested by the Eastern organization which is engaged in the same work. At this the Western form was adopted with practically no changes, but the East insisted on the inclusion of the 50 per cent. coinsurance clause, which had been omitted by the Western committee. The discussion was principally over this clause, which was strongly opposed as likely to drive away business, to invite hostile legislation, and as conflicting with the present laws in many States. Chairman Tuttle, defending the inclusion of the clause, held that it was in accordance with sound underwriting and need not cause trouble because of the laws. The States where coinsurance is prohibited in the West represent less than 15 per cent. of the tornado business in that section. Taking the country as a whole, anti-coinsurance laws prevail in States producing less than 7 per cent. of the tornado premiums. Those who oppose the coinsurance clause argued that it was not specially needed, as 90 per cent. of the tornado business was in the country and small towns, where, as a rule, the proportion of tornado insurance carried was about the same as that of fire insurance. On special hazards it is to be made an underwriting proposition, while in the few large towns where tornado insurance is carried to any extent the matter could be handled through local board regulations. The motion to strike out the clause was carried by a vote of 11 to 6, a number of companies not voting, and the uniform policy was then adopted unanimously. The same committee, with C. R. Tuttle as chairman, was continued to secure the co-operation of the companies not represented and to seek further conference with the Eastern organizations. The proposed constitution and bylaws were also referred to this same committee.

A movement has been started in **Ohio** by Fire Marshal Henry Davis to revise and codify the **State laws** and municipal ordinances regarding **fire protection,** with the object of making Ohio the lowest State in the Union in the matter of fire insurance rates. He has sent out a letter as follows to all municipal authorities interested in the State and to the heads of fire departments, calling upon them for co-operation to this end:

Dear Sir—At your early convenience will you kindly send to this office a copy of all ordinances regulating fire dangers now in force in your city? There are many towns and cities in the State that have no such ordinances. Our purpose is to furnish the authorities of cities having no or inadequate ordinances against fire dangers with models from ordinances which have proved to be effective, with a view to aiding them in the protection to life and property. We believe the police and fire departments should be empowered by ordinances to remedy dangerous conditions. The people in general are ignorant concerning a great many fire dangers, and if the matter were called to their attention you would have their hearty co-operation. It is the purpose of this department to extend its usefulness to the prevention of fire losses, feeling that such a course is more nearly a correct interpretation of the spirit of its creation than the mere prosecu-

tion of incendiaries. In such a course we crave the co-operation of city authorities, for, after all, with them will rest the large measure of work along this line. The desirability of lessening the fire losses is so patent that such an effort doubtless will have the support of every mayor, city solicitor, president of council, chief of police and chief of fire department. Many municipal officers have assured us that they would do everything in their power to promote proper legislation on this subject. The loss of property in Ohio from carelessness with combustibles during last year was $6,500,000. By teaching the people of these dangers, as we have been doing through the kindness of the newspapers, and by the passing and enforcement of wise ordinances, this loss, which ultimately comes out of the pocket of landlord and tenant alike, will, we feel confident, be greatly reduced. If you at any time desire me, or a deputy, to meet with you, please advise.

"What the **average purchaser of life insurance** does not know about the policy he is acquiring would fill a book," said a St. Louis insurance agent recently. "For instance, I had a conversation not long ago with a man who fancied that he was insured for $10,000 on the fifteen year endowment plan. That is he thought he had to make payments for fifteen years—which is true—and that at the end of that time he could get $10,000 in cash, or take a part in cash and a part in paid up insurance, which was not correct. The rate he was paying was so very low for what he said he was getting that I asked to see his policy, and when I looked at it I found, just as he might have found in a brief examination, that while he was insured for life, with only fifteen yearly payments, he could not get the $10,000 or any part of it for a good many years more. Many men who take insurance, and especially those who do not decide to go in until they have looked at it a long time, go in finally with a rush. They do not give the agent time to tell them what they are getting, and often do not find out for years afterward. Another thing that many insured persons do not know is that a rebate on the first payment, arranged between the insured and the agent, sometimes renders the whole transaction invalid."

At the request of President Richard A. McCurdy the New York State Insurance Department has begun an **examination of the Mutual Life insurance company.** It appears that President McCurdy made the application to the department a month ago, and asked for a very thorough investigation. A reporter of a New York paper having made an inquiry whether the New York Life insurance company had asked for an examination received the reply from President McCall that the Insurance Superintendent last year made a thorough investigation of that company at an expense of $15,000, and that "either the New York State department or the insurance department of any other State is at liberty to examine the company's books whenever it sees fit." In reference to the examination of the Mutual Life Dr. Walter R. Gillette, vice president, said on Thursday:

This work has been going on quietly for some time, but in the somewhat excited condition of the public mind over insurance matters we have said nothing about it. We asked Superintendent Hendricks to send his men here, examine everything concerning this company and make a public report. It is a long and difficult undertaking. Only two or three men are now at work, but later the force will be increased. These men are to go into every transaction, every bond purchase, every payment and every book. They can question any officer of the company to obtain information concerning matters that seem doubtful. I am at their service for whatever questions they may wish to ask me. So are the other officials.

The **marine season on the Great Lakes,** which started in rather badly at the beginning, by reason of losses caused by bucking vessels through the ice, was nevertheless a very good one until about a month ago. The past weeks have been disastrous, and the underwriters are feeling blue. On Sunday, June 18, the steel steamer Etruria was sunk in collision with the steamer Amasa Stone. The loss of the former vessel will cost the underwriters $300,000 on vessel and cargo. Two other steamers, the Harriet A. Hart and the Yakima, were burned the same week, the loss on both being about $100,000. The same loss was sustained on the steamer City of Collingwood, which was burned June 19. A collision on Lake Superior within the month, between the steamer Harvard and the steamer Thomas W. Palmer, resulted in the sinking of the latter, and also means about $100,000 to the marine companies. The steamers Sylvania and Bessemer collided on Lake Superior a few days ago, and the result will be about $8,000 in repair bills. This season has been noteworthy for long periods of fog on the upper lakes. The losses in the last three weeks total nearly $700,000, but the underwriters are now hoping that the peculiar run of disasters is past.

After a spirited contest between eight candidates the Ohio Democratic State Convention at Columbus on Wednesday nominated **John M. Pattison for Governor.** He was successful on the second ballot, receiving 457 votes or 26 more than enough to nominate. The nomination was then made unanimous. Mr. Pattison is the honored president of the Union Central Life insurance company of Cincinnati. He was born in Clermont County, Ohio, June 13, 1847, served in the Union army during the civil war, was graduated from Ohio Wesleyan University in 1869, admitted to the Cincinnati bar in 1872, elected to the State Legislature in 1873, was attorney of the Committee of Safety of Cincinnati from 1874 to 1876, and became vice president and manager of the Union Central Life in 1881 and president in 1891. He was a Ohio State Senator in 1890 and member of the Forty-second Congress, where he served with distinction, and was the author of a bill to provide for national supervision of insurance. Although the Democracy in Ohio is usually a minority party there is much dissatisfaction among Republicans with their candidate for Governor, and Mr. Pattison is personally very popular with them. His friends believe that he will be elected.

The regular June meeting of the **Life Underwriters' Association of Chicago** was held at the Hamilton Club Tuesday evening, June 20. President Baker announced the selection of the following as delegates and alternates to the National Association, to be held at Hartford in September:

DELEGATES.—Danford M. Baker, E. H. Carmack, J. L. Ferguson, J. W. Janney, Robert Skene, L. Brackett Brishop, Hervey S. Dale, Geo. R. Hemingway, Fred B. Mason, Fred C. Goodspeed, R. D. Bokum, W. P. Crenshaw, J. W. Jackson, T. B. Merrill, I. B. Snow.

ALTERNATES.—W. S. Candee, J. N. Shockney, H. D. Wright, H. B. Johnston, C. H. Reeve, T. L. Fansler, Everts Wrenn, H. M. Curtis, M. G. Lamb, Franklyn Wyman, E. D. Redington, W. F. Workman, F. W. Ganse, E. A. Nelson, E. J. Nealy.

DELEGATE AT LARGE.—William D. Wyman.

The first speaker at the dinner which followed was Charles Dyer Norton, general agent of the Northwestern Mutual Life, who gave a most earnest and interesting talk upon the opportunities for young men in the life insurance business. Mr. Norton, though comparatively a young man, understands his subject well from a practical standpoint. Hon. M. L. Temple, of Osceola, Ia., and Dr. John M. Boyd, pastor of the First Presbyterian Church, also spoke.

A **notice** has been issued by Comptroller Grout to all **surety companies** doing business in the city that they must file with the finance department, within thirty days, a detailed statement of the collateral indemnity held by the companies against their undertakings. The comptroller has expressed the opinion that there are not enough surety companies doing business here, but it is the opinion of all surety underwriters, on the other hand, that there are plenty enough, and that careful supervision of risks and rates makes the business as safe as any other line of underwriting. The comptroller

in his notice says that while in the nature of things the contingent liability expressed in the total of such bonds or undertakings can to only a small degree mature into actual liability, yet, on the other hand, the disproportion between the total of such contingent liabilities of different surety companies and the total of their assets and liabilities is such that it is apparent that the collateral or indemnity or any reinsurance agreements which the companies are accustomed to take are a large part of the actual guarantee of the city against liability.

Chicago fire insurance managers are interested in the pending litigation to test the **validity of the contribution clause** in universal use in that city on all except preferred business. It is being contested by the Chicago Art Bedstead Company, which recently suffered a loss on which it was forced to be a contributor, by the fact that it was not carrying the required 80 per cent. of insurance. The complainants held that the use of the contribution clause is illegal and not enforceable, on the ground that it purports to be a reduced rate because of the contribution clause, but that no reduction has been made and therefore there is no consideration. The attorneys for the companies are confident that this claim can be easily overturned, as the coinsurance clause of the Chicago Underwriters' Association makes no reference to a reduced rate, but provides that all rates are based upon the assumption that 80 per cent. coinsurance is carried. The case will be carefully watched, however, as it is admitted that if an adverse decision should be secured it would be a very serious matter.

One of the most interesting features of the biennial head camp of the **Modern Woodmen of America,** held last week at Milwaukee, was the recognition of the fact that the increase in rates made two years ago was merely a temporary expedient, and that further increases would have to be made before long. It was unanimously decided to bring up the question of revising the rates of assessment at the 1908 head camp in form for definite action at that time, a committee having reported that the order could not with safety postpone another readjustment of rates more than a few years longer. The convention decided to admit metal miners and railroaders to membership, with a table of rates for extra hazardous risks, and relaxed its regulations governing liquor men by admitting employees of breweries and distilleries not directly engaged in the manufacture and handling of liquors. Portions of Texas and Tennessee were admitted for membership, but part of Arkansas was excluded. Head camps will be held triennially hereafter in order to reduce the expense, the Milwaukee head camp having cost over $200,000.

In his annual fire insurance report Superintendent Vandiver, of **Missouri,** says of **rates** in that State:

The exhibits made in this report show the fire companies collected $575,297.02 more in premiums than in 1903, while the losses were $1,144,175.89 less than in 1903, making a clear gain in profits for the fire companies of $1,719,472.91 over the previous year. It will be seen that the average insurance rate charged by fire companies for business in Missouri was, in 1903, $1.20, while the average rate was increased in 1904 to $1.24. A review of the favorable conditions that now prevail in the State of Missouri, and especially in the large cities of the State, demonstrates the fact that this increase in rates charged the citizens of Missouri by the fire companies is not justified or warranted by the existing conditions. The fact that the last few years in Missouri have been very favorable to fire insurance companies has attracted to the State a large number of new companies, and many companies that withdrew from the State several years ago have returned and been relicensed, thus very largely augmenting the authorized fire insurance facilities of the State. It is stated on good authority that the rate charged the insurance public in Missouri is much greater than the rate charged on the same class of risks in adjoining States. There is no apparent reason for this discrimination against Missouri. The moral hazard in Missouri is not greater than in adjacent States, and the character of construction and physical hazard is steadily improving.

More of the **"Letters of Amicus,"** which for nearly a decade have been appearing regularly in the *Statement,* have been published in book form by the Spectator Company, and the copy received at this office has been joyfully placed on the "wet" shelf of our insurance library, along with "Col. Johnson of Johnson's Corners," and other similar books of the trade to which we turn instinctively for light on gloomy days. The tone of these epistles from "Hayville" is tonic, humorous and "good hoss sense." The present edition follows up the "Letters, Fables and Sayings of Amicus," published by the Mutual Life insurance company in 1897, and is the "more" that has long been cried for. The snap and incisiveness of these little sketches of the insurance business will be appreciated by prospect as well as agent. As everyone knows "Amicus" is but a pen name for the *arbiter elegantiarum* of insurance journalism, and one of the best of good fellows, Mr. C. J. Smith, of the Mutual Life insurance company, affectionately known to the fraternity as "Charley."

A meeting of the **Buffalo** Association of Fire Underwriters was held on Thursday of last week to consider the **fire insurance conditions** there. There were present, besides local agents, Manager E. G. Richards, of the North British and Mercantile, and State Manager Knowles; Secretary Milliken, of the Phœnix of Hartford; Secretary Smith, of the German American, New York, and Secretary Jenness, of the Ætna of Hartford. The latter gentlemen, in view of the fact that the recent investigation of Buffalo showed it to be behind what it should be in matters of fire protection, and that the city authorities had taken no notice of the recent report and investigation, urged immediately a 35 per cent. advance in rates. There was opposition to this on the part of some agents, and as a final action the companies were asked by resolution to name a date within which improvements must be made before drastic action is taken. Conferences on the matter continued throughout the week without definite action.

The West Side Young Men's Christian Association, at its house on West Fifty-seventh street, near Broadway, has developed several excellent practical courses in business, including real estate, structural engineering, steam engineering, practical art, plan reading and estimating, etc. To this it will add during the coming season a **School of Insurance,** with lectures and class work at least two evenings every week. To direct the work the services of Mr. M. M. Dawson, F. I. A., the distinguished consulting actuary, have been secured. In addition to Mr. Dawson's lectures the purpose is to present one or more lectures during the year from each of several men, prominent in his own branch of insurance, upon a subject in which he is an expert. The course will cover life, fire, personal disability, liability, surety and credit insurance. There will also be two courses in actuarial science, under competent instructors—Mr. Henry Moir, actuary of the Provident Savings Life, and Charles W. Jackson.

Because he thought the **sprinkler equipment was out of order** and wouldn't work Chief Inspector Crumbaugh, of the Cincinnati Rating Bureau, got a ducking the other day. The inspector was looking things over at a furniture plant in company with the superintendent of the factory. Said the inspector, with a critical glance, "the coadjustment of

the thingumbob does not seem to coincide with the aquasizzulum. I don't thing the sprinkler will work." "It looks all right to me," said the superintendent, poking it with his finger. Then came the deluge, which not only damaged two immaculate shirts, a flannel suit and a straw hat, but flushed some of the factory stock too, before the water could be shut off. There was no leakage insurance on the straw hat and etceteras, and the factory's claim for a loss is of a doubtful nature. The water was extinguished with a load of sawdust.

The **line on** the stock of the **Henry Siegel Company department store, Boston,** now nearing completion, will amount to something like $3,000,000, and will be placed by John C. Paige & Co. A line of $2,000,000 on the building is placed by Guild & Eastman. This will probably be the most perfect department store risk in the world, by virtue of its location permitting access on all sides, first class fireproof construction and minimized exposure. It will have a complete and first class inside and outside sprinkler equipment, four inside standpipes, continuous watchman and clocks, pails and extinguishers everywhere. Immediately upon the completion of the occupancy a fire brigade of employees is to be organized. Much of the up to date equipment of this risk has been put in at the suggestion of John C. Paige & Co.

A circular couched in graceful language has been sent to various **underwriters** in the city announcing that an opportunity will soon be given them by a New York daily newspaper to have their **pictures** and "life stories" **printed free.** After publication the pictures will be transferred in groups to fine paper for purposes of artistic preservation. The self-written sketches will be awaited with interest. The scheme is fine for hot weather business, and the advertising method is inexpensive. But those insurance journalists who have used every persuasive effort except theft to get some of our underwriters to "give up" a photograph when there was good and sufficient cause for its unostentatious appearance in a news column do not expect to see this daily's pages blossom out profusely with familiar faces.

Two **victims of the Lake Shore** Limited **wreck** last week were heavily insured. Thomas R. Morgan and Charles H. Wellman, both members of the Wellman, Seaver, Morgan Company, of Cleveland, had policies in the Travelers insurance company, of Hartford, Mr. Morgan for $108,000, accident and life, and Mr. Wellman $58,000, accident and life. Both claims were promptly paid. The life and accident losses on this wreck are estimated by experts in the insurance line to figure up nearly a million dollars. Nineteen of the deaths, if settled for by the railroad company at average cost without litigations, will cost $95,000, and the injury claims will doubtless total over $200,000. The loss to the railroad in rolling stock, delay of trains, track repairs, investigations, &c., will not fall far short of $100,000.

The **New York Fire Insurance Exchange** has appointed a committee of five to co-operate with the New York Board of Fire Underwriters under the following resolutions adopted by that organization: "That the committee on finance be and is hereby instructed to cause to be made such investigations of the work of this board and of its employees in its various departments as in the judgment of the committee may result in such economies in work and improvement in the administration as may be shown practicable. Resolved, That the committee is also instructed to request the co-operation in this work of the New York Fire Insurance Exchange." Vice President Evans has appointed the following committee: T. A. Ralston, H. F. G. Wey, C. G. Smith, Sam R. Weed and Frank Lock.

Interest is added to the **report of the Committee of Twenty on Memphis** by the fact that a pink slip advance was recently removed there and that Tennessee conditions are of special interest to the companies just now. The report makes seventy-seven different recommendations, although admitting that the situation has been improved by the betterments in the fire protection, made as a result of the pink slip. Larger mains, more engines, the exclusion of politics from the fire department, the extension of sprinkler protection and the closing of unprotected openings are strongly recommended. A conflagration hazard is found to exist in spite of wide streets and moderate winds because of unusually poor construction and faulty building laws.

The Civil Service Reform Association of Philadelphia has sent a letter to Governor Pennypacker requesting the **removal of Insurance Commissioner Durham,** because after careful investigation "we are convinced that Mr. Durham has persistently absented himself from his office for the greater part of the last two years." The association says:

> We submit that such absence from office of a high official is a gross public scandal, and deserves the same punishment as would undoubtedly be imposed for the same offence upon a subordinate clerk in the employ of the Commonwealth. Not only does such absence from his post of duty cause much inconvenience and annoyance to those dealing with the Insurance Department, but also and even more serious is the effect upon the public of the example set before the eyes of the people of the Commonwealth of the payment of an official for services apparently never rendered.

A Boston paper relates the following story, as having been told by **Insurance Commissioner Cutting,** in discussing the Royal Arcanum change of rates, to show how differently people look at life insurance and fire insurance:

> A fellow came to me the other day to complain that he had paid to a small company in premiums nearly the face of a $200 policy. "As I have got nothing for my money I have made a formal demand to have part of my premiums returned," he said, with a defiant air. "Do you carry any insurance on your furniture?" I asked, to which he replied in the affirmative. "Ever have a fire?" "No." "Well, you never thought of demanding some of your fire insurance premiums back, did you? What you ought to have done was to have died within a few weeks after you took out your policy. Then you would have been ahead of the company. But you insisted upon living, and in spite of the fact that you have had protection all these years, you are not satisfied."

In consequence of a notification from Fire Commissioner Wells that in a number of cases **signs** were put up **on Boston buildings** in such a manner as to seriously threaten the lives of the firemen, and that he had ordered them not to enter a burning building where such obstacles existed, the Boston Board of Fire Underwriters last Tuesday adopted the following rule: "Where signs in excess of 30 square feet are on the tops of buildings, if of wood or other inflammable material, the minimum charge for the same must be 50 cents, and 25 cents if of iron. The charge for iron signs, however, is not to apply to buildings of first class construction. For signs on the face of buildings the minimum charge for both iron and wood is to be 10 cents for each window covered."

Spontaneous combustion in cotton is supposed to be the cause of the fire which gave the passengers on the steamer Kansas City a hearty scare and the crew a long, hard fight last week before New York was reached. At the same time a fire was reported from New Orleans on the steamer Montauk Point, in which a large amount of cotton was damaged and some totally destroyed. Underwriters believe that careless

handling is responsible to some extent for the great frequency of such fires of late. Fire recently broke out three times in succession in the holds of a steamer loading bulk sulphur, and it is recommended that sulphur be loaded in sacks whenever possible, as sparks or friction are thought to have been the cause.

Chicago proposes to have a fairly **sane Fourth of July** this year, as the result of a new fireworks ordinance recently adopted and the strenuous rules the police are enforcing against the use of firearms because of the prevailing teamsters' strike. The new ordinance prohibits even the sale of fireworks until July 1, and the sale must be discontinued at midnight on the Fourth, with a penalty of from $50 to $100 for each day of offense. The purpose is to concentrate the celebration. The police are also preventing indiscriminate firing on the ground that otherwise they cannot keep a close watch on disorders growing out of the strike, as the rioters, if shooting was general, could pick off the non-union drivers without much danger of detection.

The New York Council of the **Royal Arcanum** talked over the recent **raise in rates** at a special meeting which lasted from 8 o'clock Monday night until 3 o'clock Tuesday morning. About a thousand members were present and the discussions were long and animated. The chairman, G. W. Doland, was in favor of the new rates and the opposition, although in the majority, were unable to accomplish anything till the chairman was got out of the way at 2 a. m. by an adjournment, followed immediately by the organization of another meeting. The meeting then passed resolutions condemning the raised rates as unfair and urging their reconsideration by the Supreme Council at a special session.

The charges growing out of the **reinsurance of the Traders Mutual Life** of Springfield, Ill., in the Western Union Life of Chicago, which was afterward absorbed by a Philadelphia concern, are still being agitated. At a hearing before the Master in Chancery in Chicago of the disbarment proceedings pending against William P. Thornton, an attorney for the Insurance Department, growing out of alleged improper connection with that deal, testimony was introduced charging Fred H. Rowe, attorney for the Insurance Department, and W. J. Butler, receiver for the Traders Mutual Life, with sharing $5,000 of the money paid for the reinsurance of the Traders. Both enter emphatic denials.

Over two hundred agents of the **New York Life,** members of its **$100,000 Club,** from the central and southwestern departments and from the West Indies and Mexico, met in Chicago on Wednesday and went to Charlevoix on the steamer Virginia, which has been specially chartered for them. The annual meeting of the $100,000 Club will be held there, lasting three days. Several from the home office were present, with Supervisors H. H. Holtz, of the central department, and Hamilton Cooke, from the southwestern department. The central department had 104 members of the club, of whom 34 were from Chicago, while the southwestern department had 78 members.

The Chicago Underwriters' Association has given considerable consideration to **a peculiar clause** in forms providing that in case of loss the property insured shall be valued at least 33 1-3 per cent. less than it was invoiced on the books where it is located. This was submitted to a committee of leading adjusters, who agreed that the clause affected the ascertainment of sound cash value and might interfere with the operation of the percentage contribution clause, upon which the rate was based. The executive committee held unanimously that the clause was in violation of the rules.

The artistic taste of Col. J. L. Cunningham, of the "tried and true" **Glens Falls,** admirably displayed every year in the **calendars** of the company, has been so much appreciated that some of the pictures used have recently been reproduced to illustrate a series of school readers on historical subjects published by a New York firm. The picture of the 1905 calendar, showing the surrender of Burgoyne, and drawn by F. C. Yohn, the well known military artist, was lately published in black and white in *Benziger's Magazine,* through the courtesy of the company.

The usual **Fourth of July order** has been issued by Chief Croker, of the New York fire department, suspending all vacations and days off, for that glorious occasion, and transferring a number of the downtown fire companies temporarily from the office districts to the upper and residential parts of town, where the small boy and the firecracker will get in more of their usual fine work. Chairman Ogden, of the Fire Patrol Committee, has also given substantially the same orders to his men, and extra men and horses will be on duty.

A Chicago brokerage firm, Klee, Rogers & Corey, have secured **contracts with underwriters at London Lloyds,** one authorizing them to bind for fire insurance up to $12,500, the novelty being that they are authorized to use the Prussian National and the Georgia Home, which they represent, as warranty companies. Another contract authorizes them to bind for automobile insurance covering against fire, theft and collision. They also have a London Lloyds contract to insure fine horses.

The **Chicago City Railway Company** has renewed its line of insurance, amounting to $2,500,000. Under the new street car barn schedule, adopted after several recent heavy losses, the large open areas in many of the barns have been reduced, the second stories cleared out and material improvements made. The Union Traction Company is also making similar improvements, and the entire street car barn situation in Chicago will be rehabilitated in a short time.

A novel defense was set up by Ely Van Immons, charged in Ohio with arson in the burning of a building in process of erection. He claimed that the law forbade the burning of a dwelling or building, and that as the structure was not completed it could not be called a building. The case was taken to the Supreme Court, which decided that a structure in course of erection became a building when the four sides were up and the roof was on.

The **American Life** insurance company, of Tampa, Fla., of which Walter C. Wright, of Boston, has been appointed actuary, will start business on a legal reserve basis about July 15. It will have $500,000 authorized capital. The officers of the company are W. B. Henderson, president; H. L. Knight, first vice president; C. A. Carson, second vice president; H. C. Gordon, secretary, and Frank Bentley, treasurer.

War rates in the Eastern seas have been slightly raised since the receipt of news that the British steamer Ikhona, with mails and rice, from Rangoon to Yokohama, was sunk

on June 5, 150 miles north of Hong Kong, by the Russian cruiser Terek. The loss was $450,000. The Odessa mutiny has not affected rates much as yet, as the underwriters believe it will soon be suppressed by the authorities.

The Bank of Richmond, Va., has been appointed receiver of the **Richmond Fire Insurance Corporation,** of that city, by Judge Grinnan, at the suit of certain creditors, who ask that the company be wound up and its assets applied to its debts. The Richmond Fire was organized two years ago, but ceased business at the time of the enactment of the new deposit law, with which it did not comply.

The **Billing case,** in which an agent sued the New York Life to recover commissions on a policy which he claimed had been placed as a result of his work, although issued later, has been decided, the Appellate Court of Illinois handing down a verdict sustaining the decision of the lower court in Billing's favor in all legal points, but cutting the judgment in two.

The county attorney at Cleveland, Ohio, is threatening to begin suit against the fire insurance companies, on the ground that they are in **violation of the Valentine Anti-Trust Law.** He claims that his attention has been called to the agents' organization, which seeks to stifle competition, and proposes to bring the matter before the next grand jury.

It is alleged that the **Allied Underwriters** at New York and the **Chicago Lloyds,** at 19 Liberty street, of which Boughan & Co. are agents, are insolvent, and have transferred property to preferred creditors. A petition in bankruptcy has been brought against these concerns by Robert Van Iderstine for various clients on account of fire losses. The attorneys for both will resist the proceeding.

The **American Mutual Merchants insurance company** was organized last week at Oklahoma City, Okla., by the election of C. G. Jones as president; William Bushby, first vice president; C. C. Hughes, second vice president; E. T. Hathaway, secretary; C. F. Colcord, treasurer, and John L. McIlree, general manager and superintendent of agents.

The cargo of the British steamship Cranley, which was being unloaded upon the quay at **Odessa,** Russia, was burned by the **rioters** there on Wednesday. Underwriters at Liverpool on Thursday were charging 75 per cent. for insuring British vessels at that port against war risks and damage from the riots and mutiny.

The Massachusetts Bureau of Statistics of Labor is engaged in an investigation of the **relation of industry to accidents, health and character,** and has secured the services of Mr. George L. McNeill, the well known labor leader and secretary of the Massachusetts Mutual Accident Association, to direct the work.

The delegates chosen by the **Boston Life Underwriters' Association** to the national convention are: Percy V. Baldwin, C. S. Burke, Leon F. Foss, James F. Chase, George E. Elliott, S. F. Woodman, O. H. Curtis, Louis F. Hopkins, Corwin McDowell, J. E. Edwards, H. N. Haven, C. E. Townsend and John S. Cranston.

Detroit proposes to establish a **municipal insurance fund.** It has not had the city buildings insured for several years and has turned down bills for insurance furnished the public library. The city comptroller asks for the establishment of a fund in which all municipal properties will hereafter be insured.

The **latest fish story** is that Special Agent J. A. Kelsey, of the Aachen and Munich, and Special Agent S. H. Quackenbush, of the National Fire, have got back from a trip to Preston Park, where they caught forty-seven bass, running in weight up to six pounds. Their catch was one of the best of the season in that region.

Application for a voluntary **dissolution of the Adjustment Company of New York** was made by Moses and Samuel Tanenbaum and Dexter C. Force, directors, in the Supreme Court this week. The company was incorporated in 1901, with $10,000 capital. It now has $525 assets and no liabilities.

The **chief of police** of Warsaw, Russia, Baron Volken, who was recently **injured** by the explosion of a bomb, is suing a Russian accident insurance company to collect on a policy which he held. The company holds that an attempt at assassination does not come within the terms of the policy.

Attorneys for the Equitable Life were in Madison, Wis., last week examining the law and records in regard to the passage of the **life insurance distribution bill** by the Wisconsin Legislature, preliminary, it is stated, to possible legal action against the enforcement of the law.

The North Jersey agency of the **Columbian National Life** insurance company, of Boston, which was recently opened in Jersey City, with Joseph A. Baker as manager, is now gathering headway, and promises to be one of the company's important agencies in the near future.

A **policy for $100,000** was recently written by the Phœnix Mutual Life through State Agent Ernest L. Killen, of Indiana, on the life of Elbert Shirk, a capitalist, of Peru, Ind. The policy is a twenty payment one, and the premiums amount to over $3,000 a year.

The **Royal** insurance company has decided to take full membership in the **South Eastern Tariff Association** in the States of Virginia and North Carolina. That body at its recent annual session passed a resolution requesting such action.

The **towns of Kansas** have been **classified,** as regards fire protection, those in the first class being Atchison, Fort Scott, Topeka, Leavenworth, Kansas City and Wichita. All the other towns are put in the second class.

The new **Citizens Life of Kentucky** has been writing at the rate of a million a month, closing its seventh month with $8,000,000 of insurance written. Most of this is in Kentucky and Arkansas.

The **Ætna Indemnity Company** is making plans to get after burglary business again in Massachusetts, in which State it left a while ago, and Mr. F. S. Hamlin, of Boston, will be manager there.

At a **meeting of the Eastern Union** yesterday the Sun of London and Royal Exchange were unanimously elected to membership.

Personal.

AGENCY APPOINTMENTS.

Colonial of New York: John Naghten & Co., of Chicago, general agents for Illinois.

Detroit Fire and Marine: Wagner & Taylor, sole agents at Philadelphia.

Pennsylvania Casualty Company: Wickes & Arnold, general agents for Cook County, Chicago, Ill.

Mr. W. H. Harper, general agent of the Equitable Life at Philadelphia, Pa., since January 1, 1905, has resigned to return to the Ætna Life, with which company he first entered the business in 1897. He becomes general agent at the same city of "brotherly love." Mr. Harper was originally Georgia manager of the Ætna, in which State he was born in 1874. In 1891 Mr. Harper left the Ætna after building up a good business and became third vice president, and in July, 1903, first vice president of the South Atlantic Life insurance company, which connection he left for the Equitable ranks.

George B. Chandler, treasurer of the New Hampshire Fire insurance company, died at his home in Manchester, N. H., on Thursday, at the age of seventy-two years. Mr. Chandler was also president of the Amoskeag National Bank and treasurer of the Amoskeag and People's savings banks, besides being a director in other corporations. On March 1 he celebrated the fiftieth anniversary of his entry into the banking business.

Mr. Thomas Russell Weaver, who retired five years ago from active membership in the Springfield (Mass.) insurance firm of Ladd, Weaver & Wright, died at the Springfield Hospital on Friday of last week, following an operation. He was fifty-five years old and began business as a clerk in an insurance office in Springfield at the age of twenty-three. He later became a partner, but recently retired on account of ill health.

Mr. F. W. Alden, general agent for the Union Central Life at Delaware, Ohio, where the Ohio Wesleyan University is located, made a specialty this year of seeking to insure the graduating class, and succeeded in writing thirty-five of its members. In recognition of this Mr. Alden gave a dinner to the faculty and graduating class, which was attended by Secretary Marshall, from the home office.

Mr. William Whitman, chairman of the committee of Massachusetts Protective Association of Equitable Policyholders, which visited New York this week, and who was elected a director of the society, is sixty-three years of age, and a member of the Boston firm of Harding, Whitman & Co., selling agents of the Arlington woolen mills at Lawrence and the Whitman mills at New Bedford.

U. S. Manager Uberto C. Crosby, of the Royal Exchange, this week appointed as his assistant Mr. Richard D. Harvey, who was formerly associated with him in the New Hampshire Fire insurance company as general agent. Mr. Harvey is a native of North Carolina, and has been general agent of the New Hampshire at Chicago for the past fifteen years.

Mr. James A. Gibson, an insurance agent, forty-five years old, of Buffalo, N. Y., while temporarily out of his mind with the pain of a disease from which he was suffering, leaped into the rapids at Niagara from Goat Island bridge on Thursday of last week and was carried over the falls. His body was not recovered.

Mr. S. Herbert Wolfe's condition continues to be satisfactory, and he has been sitting up for the first time this week. A bruise in the ribs is causing him most trouble now, but he is steadily convalescing. He will probably be taken to the Adirondacks for recuperation when able to travel.

Dr. Israel C. Pierson, lately actuary of the Washington Life insurance company, has bought a half interest in the *American Underwriter*, of which Mr. Edward Bunnell Phelps is editor. We look for still greater things in future from our progressive contemporary.

Mr. F. S. Hamlin, general agent at Boston of the Ætna Indemnity, has been appointed manager of the company's burglary business, which it has just resumed in Massachusetts, and of its burglary and plate glass business in Rhode Island, Maine and Vermont.

Mr. John H. Platz, an Omaha agent of the Connecticut Mutual Life insurance company, committed suicide by cutting his throat on Wednesday of last week. He was fifty-two years old and in good circumstances. No cause for his act is known.

Mr. A. M. Warren has resigned as special agent of the Phœnix of London for Wisconsin and Minnesota, to establish a Pacific Coast department for the Northwest Fire and Marine of Minneapolis, with headquarters in Los Angeles.

Mr. L. Boyd Fradenburgh, adjuster for the Travelers at Philadelphia, has been appointed to a similar position with the Ætna Life at Pittsburgh, succeeding R. C. Traver, who becomes a special agent of the Ætna in the liability department.

Mr. Louis Hasbrouck, of the Chicago insurance firm of Rothermel, Hasbrouck & Co., died last Saturday of jaundice at the Samaritan Hospital in that city. He had been in the fire insurance business at Chicago for thirty years.

Mr. H. H. Cabaniss, a well known Georgia newspaper man, who recently sold an interest in the Augusta *Chronicle*, has been appointed Georgia manager of the recently launched Citizens Life insurance company of Louisville, Ky.

Col. Richard Barrett, president of the Middlesex Mutual Fire of Massachusetts, last Thursday entertained his former colleagues of the board of directors of the Boston protective department at his residence in Concord.

Mr. Guy E. Beardsley, special agent for Connecticut and Rhode Island of the Home of New York, will leave that position to become special agent of the Ætna of Connecticut, Western Massachusetts and Vermont.

Mr. W. D. Kellogg has been appointed special agent of the Union of Philadelphia in the Middle Department. Mr. N. C. Rorabaugh has been appointed special agent of the Union for Western Pennsylvania.

Mr. Clarence H. Hayes, of L. Burge Hayes & Co., one of the largest agencies in Boston, was found dead in his bed yesterday morning. He was about sixty years of age and was a widower.

Mr. William G. Whilden, secretary and managing underwriter of the Eagle Fire of New York, is in Denver looking for an agent to represent his company in that field.

Mr. William F. Wilkins, chief assistant fire marshal of Philadelphia since 1902, was removed on Tuesday for cause by Director Potter, of the Department of Public Safety.

Mr. Robert Kinnard, of Lancaster, Ky., a well known insurance man and mayor of that city, died at his home there, aged fifty years, of pulmonary disease, on June 19.

Mr. Charles Boicourt has been appointed Indiana general agent of the Shawnee Fire insurance company, and has resigned as special agent of the German of Freeport.

Mr. Charles F. Hawkins, formerly special agent of the American insurance company of Newark, died last Saturday at Denver, Col., where he went for his health.

Mr. William H. Taylor, stamp clerk at Utica, N. Y., has been appointed special agent of the Hamburg-Bremen insurance company for the Empire State.

Col. William H. Dyer, of Dyer & Foss, Boston, managers of the Berkshire Life, was last Saturday elected president of the Middlesex Club of Boston.

Senator Roehr of Wisconsin is in New York, and will spend several weeks at Rangeley Lake, Me., summering.

Manager Cecil F. Shallcross, of the Royal insurance company, has returned from abroad.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Connecticut.

Hartford, Conn., June 22.—The Committee on Insurance recommitted to itself on Tuesday the bill it presented last week concerning reserves for insurance companies writing personal accident and liability insurance. Another bill will probably be reported next week. The bill was recommitted at the request of Insurance Commissioner Upson, who desires to make an investigation into the experience of the Travelers insurance company and the Ætna Life insurance company in writing that kind of business, before deciding the method of computing the required reserve on personal accident and liability insurance.

Mr. Upson is out of town, and the General Assembly stands adjourned until next Tuesday. It is understood that the Insurance Commissioner has no objection to the bill, but prefers to learn first what has been the experience of the two Hartford companies which write that kind of business.

Hartford, Conn., June 29.—The Committee on Insurance has reported in the Senate a substitute bill for the bill reported two weeks ago, concerning reserves for insurance companies writing personal accident and liability insurance. It repeals entirely Chapter 168 of the Public Acts of 1903, the last previous session, and provides in detail the method of computing the reserve on health, accident and liability policies. The substitute bill will be in the files on the desks of members when they come in again next Wednesday, and Senator McGovern, the Senate chairman of the committee, will call it up at his convenience. It is understood that the provisions of the bill are based on the experiences of the Travelers and the Ætna (accident department) insurance companies, and that the bill has received the approval of the State Insurance Department. The bill may not, however, be taken up next week, as business is flooding both houses, belated bills of an important character coming from committees, and it may lie in the files for several days for the ostensible purpose of permitting members to become acquainted with its provisions.

The bill provides that every insurance company doing business in the State and insuring against accident shall maintain a reserve equal to the unearned gross premiums on the risks carried. Liability companies shall maintain a reserve computed as follows: Every company in business for five years or more shall report separately by July 1 each year: (1) number of policies issued, premiums received and earned; (2) injuries reported; (3) amount paid on all losses and reserved for suits, etc.; (4) suits settled; (5) amounts paid for settlements. Liability reserves are to be computed by multiplying the number of actions pending by the average cost of settling such suits according to the com-

pany's experience; also average cost of injuries shall be multiplied by number of injuries reported, all such in both cases to be computed for the eighteen months prior to the statement of the company's condition. From the sum of these products the amount of all payments made on such accounts in the eighteen months is to be deducted, and the sum remaining is then to be charged as the liability of the company on outstanding losses. The Insurance Commissioner may further require such additional reserve on liability business as will make the total loss reserve for four years to come sufficient to cover the same average loss ratio shown by its experience. Companies which have not had five years' liability experience upon which to compute their reserves shall base them upon the averages of all the other companies in the business, which averages the Insurance Commissioner will furnish.

Miscellany.

Equitable Life Affairs This Week.

At the regular monthly meeting of the directors of the Equitable Life Assurance Society on Wednesday the following directors were present: H. C. Deming, Thomas D. Jordan, V. P. Snyder, Alvin W. Krech, William Alexander, James H. Hyde, Gage E. Tarbell, C. B. Alexander. J. F. De Navarro, Bradish Johnson, H. R. Winthrop, George T. Wilson, William H. McIntyre, Samuel M. Inman, Paul Morton, chairman of the board. The resignations of twenty-one directors were accepted. The resigning directors are as follows:

Cornelius N. Bliss,
George H. Squire,
Chas. Stewart Smith,
Brayton Ives,
M. E. Ingalls,
A. J. Cassatt,
E. H. Harriman,
Jacob H. Schiff,
James J. Hill,
T. Jefferson Coolidge,
John Jacob Astor,
Marvin Hughitt,
Henry C. Frick,
M. Hartley Dodge,
John A. Stewart,
Alfred G. Vanderbilt,
August Belmont,
D. O. Mills,
Robert T. Lincoln,
John Sloane,
Joseph T. Low.

Another resignation, that of James B. Forgan, was held in abeyance at his own request.

The directors received a communication from the three voting trustees, Messrs. Cleveland, O'Brien and Westinghouse, requesting the election of the following persons as directors:

Eben B. Thomas, president of the Lehigh Valley Railroad.

Commodore Frederick G. Bourne, president of the Singer Manufacturing Company.

Ferdinand W. Roebling, of Trenton, a member of the construction firm of John A. Roebling's Sons Company.

William Whitman, of Boston, chairman of the New England Protective Committee of Equitable Policyholders.

E. W. Bloomingdale, of the dry goods firm of that name.

J. G. Schmidlapp, president of the Union Savings Bank and Trust Company, of Cincinnati.

E. W. Robertson, president of the National Loan and Exchange Bank, of Columbia, S. C., and the candidate of the South Carolina committee of Equitable policyholders.

J. J. Albright, banker, of Buffalo.

Joseph Bryan, capitalist, of Richmond, Va.

All these persons are policyholders in the company, but none are stockholders.

They were unanimously elected by the board. The trustees in making these nominations called attention to the necessity of obtaining at once a working membership for the board. To this end the names of the nine new directors were submitted, the suggestion being that other vacancies, or most of them, should not be filled until fall, when a plan will be made operative whereby the policyholders will nominate seven out of every class of thirteen directors to be elected. How the new directors are to be qualified is not announced as yet. There are two possibilities, one that the directors should buy qualifying shares of stock or have some of the Ryan stock assigned to them, as in the case of the old board, or that they be simply elected as policyholders of the society under the amendment to the insurance laws which was made in 1902. This section of the insurance law contradicts the provision of the Equitable's charter that every director shall be the owner of at least five shares of stock, but there is a difference of opinion among lawyers whether or not it supersedes the charter provisions.

APPEAL TO POLICYHOLDERS BY THE TRUSTEES.

New York, June 28, 1905.

To the Policyholders of the Equitable Life Assurance Society:

Supplementary to the notice addressed by us to you on the 16th of the present month, inviting an expression of your preferences, and asking your aid, not only in the election of directors of said society, to be selected from your number at the annual meeting of the society in December, but also in our earlier recommendation to the board of directors of policyholders to fill vacancies existing in said board, we now inform you that we have this day recommended certain persons from your body to fill a portion of these vacancies.

The reinforcement of the board without delay became imperative by reason of numerous resignations and the necessity of a working number of directors for the proper transaction of the society's business. More of these vacancies ought to be filled in the near future. Of course it has thus far been impossible for us to communicate more directly than through the press with even a majority of the 600,000 policyholders of the society, or to ascertain to the extent desired their preferences in the matter of filling these vacancies, but we hope that we shall daily be better informed of their wishes in the premises. Those who are so situated that they can thus co-operate with us quickly would, by doing so, render a service to the society and to all the interests involved. In any event, it shall be our effort to avail ourselves of all the knowledge and information within our reach to secure for directors from among policyholders such persons as are imbued with conservative views of management, and who will regard as distinctly violative of duty the use of the funds of the society, directly or indirectly, in the promotion, underwriting, or syndicating of new and uncertain enterprises, or the investment of such funds in speculative stocks and securities.

The published reports of those who have investigated the past management of the society and the astounding revelations they bring to light have impressed us with the grave responsibility resting upon us to prevent, so far as it is in our power, a repetition of a scandalous and tragic chapter in the history of a great life insurance company. The lessons to be learned from the exposures made in these reports are that men who are more concerned in making money for themselves than in discharging a sacred trust should not have control of a life insurance company, and that in the investment of life insurance funds safety rather than large profits should be the rule.

The same obligations that rest on the trustees of savings banks rest on the directors of life insurance companies—because in more than one sense a life insurance company is a savings bank. The same conservative management, the same economy in expenditure and the same care as to investments are as necessary in the one case as in the other. The history of savings banks in the State of New York is most creditable, and we believe this is due, not alone to the able, honest, and disinterested men who have managed them, but also to the laws which have limited the character of the securities in which they could invest.

We feel like saying to you that notwithstanding the afflictions of the Equitable Society, its resources, assets and surplus are too great, and reforms in its management are too promising to admit of doubt or misgiving on your part concerning the safety of your policy investments.

During the short period that will probably elapse before all the existing vacancies in the board of directors will be filled, and the longer time that must elapse before the annual election of directors in December, when our voting power as trustees of a majority of the society's stock can be exercised, we again bespeak your sensible and independent aid, uninfluenced by insidious and

suspicious influences; and in return, we pledge ourselves that so far as it is given to us to see our way, the conduct of our trust shall be actuated solely by a desire to secure and conserve your interests, and promote the safety and success of the great life insurance organization of which you and your families are the promised beneficiaries.

GROVER CLEVELAND,
MORGAN J. O'BRIEN,
GEORGE WESTINGHOUSE.

JAMES H. HYDE DEFENDS HIS FATHER'S ADMINISTRATION.

Mr. James H. Hyde has addressed a long letter to the directors, defending the actions of his father, the late Henry B. Hyde, while president of the company. His letter begins as follows:

I ask the permission of the board of directors of the Equitable Life Assurance Society to place on record my indignant protest against the report of Superintendent Hendricks, dated June 20, 1905, on his investigation into the management of this society, so far as it reflects upon the memory of my father.

The fact that this society exists is due to him.

Its success is, in the main, due to his efforts.

The great majority of the board of directors of this society were codirectors in it with him, and know that it lies with no one connected with this society to say anything but good of him.

Superintendent Hendricks would not have said what he did, and more, he would not have implied what he did, if he had informed himself of all the facts before reaching his announced conclusions.

It is, therefore, not only fitting but my duty to call the attention of the board of directors to some facts not known to Superintendent Hendricks, because he did not take testimony on the subject nor notify me that he wished information as to the matters which are his principal subject of criticism.

I do not ask now for an opportunity to present evidence, but only to refer to a few salient facts, which I ask the board to keep in mind pending a complete investigation.

Mr. Hyde then proceeds to explain the relations of his father with the Mercantile Trust Company, Commercial Trust Company of Philadelphia, and Equitable Trust Company, holding that all his transactions were for the benefit of the company, and also defending the syndicate operations, concluding his letter as follows:

I have been wronged by the inattention of the Superintendent, as well as of the Frick committee, to the evidence which I have given, the exhibits I have furnished and the statements I have made as to these syndicate transactions and other transactions complained of. The complaints against me seem to have received their anxious and minute consideration, but my answers to these complaints have been completely overlooked.

Therefore I feel justified in at least indicating to you some of the instances in which mistakes have crept into these reports, and in asking your board of directors to suspend judgment on these charges until all the facts are made clear.

THREATENED LEGAL PROCEEDINGS.

The Governor sent a copy of Superintendent Hendricks' report to District Attorney Jerome, with the request that if he found any evidence therein of criminality on the part of persons connected with the administration of the company he would proceed against them. The District Attorney therefore, pending an examination of the report, requested Recorder Goff to continue the term of his court indefinitely, instead of taking a recess until autumn, so that there may be no delay if proceedings are necessary, and the Recorder consented to the application.

Chairman Morton announced that he had retained Messrs. Fox and Macfarlane as special counsel in connection with his independent investigation of the company's affairs, and had instructed them to put themselves in communication with Attorney General Mayer and act in concert with him.

The Attorney General was preparing plans this week to go into court and file suits against the officials of the Equitable to obtain restitution of moneys alleged to have been wrongfully obtained by them from the company.

Up State policyholders, being instigated by politicians having axes to grind, held a meeting at Albany to urge the Governor to recommend to the Legislature an appointment by that body of a committee to investigate the Equitable. The Governor peremptorily refused to accede to the request.

Ex-President Alexander, who is ill at his summer home, directed that the amount of his syndicate profits, some $60,000, be paid into the treasury of the company. Counsel for Mr. Alexander said that he did not admit any wrongdoing by taking this course. Ex-Vice President Hyde, on the other hand, looks to the courts to justify his legal as well as moral right to his syndicate profits.

It was reported yesterday that the minority stockholders, represented by Franklin B. Lord, will question the legality of the election of policyholders' directors which was held by the board on Wednesday.

According to a statement given out by Chairman Morton on Thursday United States Senator Depew's retainer of $20,000 a year and the retainer of former Governor David B. Hill of $5,000 a year, both as attorneys, have been discontinued. George H. Squire, a former employee of the society, has been notified that his pension or salary of $1,000 a month will cease July 1.

It is stated on good authority that the following persons are under consideration for filling the remaining vacancies in the board of directors: Seth Low, John D. Crimmins, Alexander E. Orr, Morris K. Jesup, Joseph H. Choate, Charles S. Fairchild, Oscar S. Straus, Daniel S. Lamont, Herman Ridder, Andrew Carnegie and Horace Porter.

The Case of the Hartford Fire Against the State of Arkansas—Argument of James M. Beck for the Plaintiff.

The case of the Hartford Fire insurance company versus the State of Arkansus, which involved the validity of the King Anti-Trust Law, was argued before the Supreme Court of that State on June 19. In view of the importance of the case the court extended the time for argument to seven hours. The Hon. W. L. Terry and Attorney General Rogers argued the case for the State, and Col. J. W. House and J. M. Moore, Esq., argued the case for the Hartford Fire insurance company. As the case was a test one, James M. Beck, formerly Assistant Attorney General of the United States, and now of the firm of Shearman & Sterling, of New York city, who represented the National Board of Fire Underwriters, also took part in the argument in behalf of the many fire insurance associations which would necessarily be affected by the decision.

Mr. Beck argued that the statute, fairly and reasonably interpreted, did not apply to any combination, pool or agreement between foreign corporations having reference to prices or premiums charged elsewhere than in Arkansas. He cited Article XII, Section 11, of the State Constitution, as evidencing the policy of that State to welcome foreign corporations within its borders and to limit the legislative power of the State to acts done or business transacted within its borders, and he spoke of the simple but effective provisions for the regulation of foreign insurance companies which had prevailed in Arkansas prior to the passage of the Anti-Trust Statute of 1899, and which he said were worthy of imitation in other States. Notwithstanding the generality of its terms, he argued that the King Anti-Trust Statute, while it affected combinations and the fixing of rates outside of the State, could only refer to rates upon property within the State of Arkansas and belonging to its citizens.

If a broader construction were given Mr. Beck then argued that the statute was a violation both of the constitutions of the Federal Government and of the State of Arkansas. He referred to many sections in the bill of rights of the State Constitution, which forbade ex post facto laws, the imposition of excessive fines, unequal discriminations and capri-

cious destruction of private rights and privileges, as clearly invalidating the King Anti-Trust Statute, the injustice of which to foreign corporations, and especially to the insurance companies, was pointed out at length. In concluding his argument Mr. Beck said that the judiciary, in these days of intemperate agitation, could render no higher service than to declare laws invalid which transgressed the limits of fair legislation as defined by Federal and State constitutions.

To the argument of the Attorney General, that the law represented the will of the people of Arkansas, Mr. Beck replied that the will of that people could be better found in its Constitution, which was formally ratified at the polls, than in any law passed by a legislature, which too often misrepresents the wishes of its constituents and too often acts from sinister and improper motives. But, assuming that the will of the people of Arkansas could be regarded as fairly represented by this piece of legislation—which Mr. Beck denounced as mischievous and oppressive beyond precedent—he then said that the oil of anointing, which was formerly supposed to have sanctified the head of the monarch and made him incapable of doing wrong, had not under our system of government fallen upon the people, and that the very theory of a written constitution was that the people needed some limitations to their temporary errors and some boundaries beyond which the tyranny of majorities could not safely go.

After the arguments were concluded the court took the case under advisement and it is expected that a decision will be rendered within a few weeks.

Phœnix Mutual Convention — Good Points from Some of the Speakers.

At the annual convention of the general agents of the Phœnix Mutual Life, held last week at the Hotel Cadillac, Detroit, all the speakers shouted their best for that good company, and they said also some things which the insurance world in general will be interested to read as given in brief below:

President Holcombe—"We are here to discuss some of the details of a great business—one which involves not only our individual interests but also the welfare of the people and even of the nation itself.

"A distinguished writer has said that the family 'must be considered as the crucial social unit—the very keystone of society—for it results from happy association of the sexes by which the human species is perpetuated and extended, by which the affections are developed, and by which the interest which compels one unit to protect, preserve and cherish another is fostered. It should be the purpose of society as a whole to protect the sacredness and integrity of that relation. Without the family unit no other social unit would be possible. It brings the individual out of his seclusion into ethical relations, constitutes him a living evolutionary force, lifts him out of intensive selfishness to a more extensive selfishness, for in the family relation he must live for others, although in living for others he may live for his own higher enjoyment. * * It is the fundamental unit of civilized society.'

"It is for the good of the morals of society, as well as for every other consideration, that the marriage state should be entered into early in life, especially among the intelligent and moral classes of society, for thus not only will the moral tone of civilization as a whole be maintained and elevated but thrift and temperance will be increased. There are, of course, some who by reason of inherited wealth may safely enter into the responsibilities of marriage, but by far the greater part of the people can do so only by assuming risks which should not—or need not—be run. However capable, industrious and thrifty a young man may be, if he is without means marriage brings to him certain obligations and burdens, which he cannot escape from except through life insurance.

"The institution was organized for the purpose of meeting the needs of such. It was brought into existence because civilized society recognized that progress in the right direction could not be made without it. It rests upon the value of a productive life, and protects those who are dependent upon this against disaster. By reason of the ambitions of men and the competition which has arisen, the true purposes of life insurance sometimes have been obscured, but the time seems to be at hand when the original purposes of this institution will be more clearly understood, and public opinion will force the various corporations engaged in this business into a position where they will base their arguments upon the true idea of protection."

Manager George M. Kimberly, of Baltimore—"All would be glad to see the evil of rebating abolished, and we should do our share toward abolishing it. First, by being a well informed insurance man, thoroughly familiar with your company, its ability to meet fully and promptly every obligation it assumes and furnish the best insurance at the least possible cost—its policies and plans in every detail. The company itself, its policies, annual cash dividends, etc., are the convincing points. Second, expatiate upon the illegal aspect of a rebate policy and create in the man's mind a doubt as to the validity of such a contract and the possibility of his insurance not being effective—a question about its payment after death. Third, be loyal, enthusiastically loyal. A man who works for another, or a corporation, and is not loyal to him or to it is deceptive and not to be trusted in writing life insurance or doing anything else."

Manager B. E. Ellis, of Des Moines—"If hard work is not another name for talent, it is the best possible substitute for it. You are not responsible for not having extraordinary abilities, but you are responsibile for not making the most of them. Mr. Holcombe can, perhaps, remember who it was that said, 'The bane of the business is the horror of industry.'"

Manager Ira B. Mapes, of Kansas City—"Inasmuch as, for one thing, life insurance companies are judged by the character of the men who represent them, general agents should use great care in selecting field men. A man should have a general knowledge of the business—not referring to expense ratios, cost of new business and like technicalities; time is best spent in creating desire to protect the family. Persistence, with tact, will count. A wholesouled, genial, Sunny Jim disposition, with plenty of vim, vigor and vitality is an essential stock in trade. Work—capacity for hard work—a man that will not shrink from long hours or difficult tasks, that will persistently and enthusiastically take pleasure in overcoming difficulties and accomplishing what he undertakes is the man that will succeed. Every man that hopes to make himself useful in the world and to win advancement in any chosen line must have a similar capacity for work. No matter how great his ability, how thorough his education, or how attractive his personality, these qualities are useless as a locomotive without fuel unless backed up by persistence and energy."

Superintendent H. H. Kohn, of Albany—"Only those men must be sought by the manager as agents who have developed or are likely to develop convictions which make the selling of life insurance not a mere trade to be employed for those who may bid the highest for their service, but a profession to be engaged in along conscientious and thoughtful lines. Such men have a right to consider themselves no small part of a system of beneficence and economic importance. Good men are to be found in all walks of life. If the manager when seeking prospects also looks for men of concentration and enthusiastic perseverance, he often will secure agents quite as unexpectedly as and sometimes with less difficulty than he does applications. A man without previous experience, with nothing to unlearn, is perhaps most likely to become a permanent fixture, because he believes not only in the company but in the manager who has directed his growth, because he is in accord with his methods and because he leans on him for moral support. With such men as sub-agents more than mere business relations exist. They are viewed and treated with a real degree of affection. They know it and value it."

Manager R. A. Clark, Pittsburgh—"The field man should have a strict regard for his personal appearance, neat and cleanly in every particular. He should be easy and respectful in his demeanor, not too serious but earnest and enthusiastic in a measure. He should be able to present his subject in a clear and intelligent manner, and at the same time be a good listener. Most people think well of their own opinions and enjoy being heard. If the prospect already has insurance it is not safe to be too quick to find fault with it. It is well also to be well informed on current topics. The agent should be truthful in his statements and love his business, knowing that he is a public benefactor. A judge of character, he must adapt his arguments to each individual case. All should remember that they are engaged in a noble business, second as a profession to none."

Manager E. L. Killen, Indianapolis—"From the very nature of that which is involved in the carrying of life insurance the vast army of the insured can reasonably be looked upon as the representative honest people of the country. It seems to me that if the same energy could be used in an earnest effort on the part of those concerned in building a perfect life insurance company, that

(*Continued on page* 613.)

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of May, 1905:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$355,029	$199,998	$555,027
Connecticut General Life	15,048	13,400	28,448
Connecticut Mutual Life	407,654	39,389	447,043
Equitable Life, New York	1,921,950	575,315	2,497,265
Equitable Life, Des Moines	8,049	4,159	12,208
Germania Life	60,671	19,807	80,478
Home Life	67,208	23,095	90,303
* John Hancock Mutual Life	374,408	6,103	380,511
Manhattan Life	57,783	5,876	63,659
Maryland Life	13,542	225	13,767
Massachusetts Mutual Life	162,282	30,981	193,263
* Metropolitan Life	1,297,439	8,700	1,306,139
Michigan Mutual Life	34,875	28,260	63,135
Mutual Benefit Life	484,637	110,737	595,374
Mutual Life, New York	1,961,560	329,865	2,291,425
National Life U. S. A	25,843	.....	25,843
National Life, Vermont	158,354	50,040	208,394
Nederlands (U. S. Branch)	10,400	.....	10,400
New York Life	1,999,118	711,584	2,710,702
Northwestern Mutual Life	756,284	136,434	892,718
Pacific Mutual Life	56,734	11,278	68,012
Penn Mutual Life	459,286	84,623	543,909
Phœnix Mutual Life	100,712	12,199	112,911
Provident Life and Trust	154,592	190,109	344,701
Provident Savings Life, New York	19,825,464	11,955	19,837,419
† Prudential	1,008,701	4,300	1,013,001
State Mutual Life	86,625	32,126	118,751
Travelers	118,686	27,559	146,245
Union Central Life	14,650,929	3,850,602	18,501,531
Union Mutual Life	52,547	10,086	62,633
United States Life	87,011	8,345	95,356
Washington Life	143,167	42,004	185,171
Totals	$46,916,588	$6,579,154	$53,495,742

* Partially industrial insurance. † Report includes both industrial and ordinary business.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to May 31, 1905, inclusive, by the life insurance companies whose monthly reports are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$64,076,161	$30,128,183	$94,204,244
1865	Connecticut General Life	3,511,951	1,200,385	4,712,336
1846	Connecticut Mutual Life	125,383,816	16,542,169	141,925,985
1867	Equitable Life, Des Moines	1,263,395	295,787	1,559,182
1859	Equitable Life, New York	258,157,021	31,605,269	289,762,290
1860	Germania Life	29,748,502	11,211,946	40,960,448
1860	Home Life	14,796,870	3,767,040	18,563,910
1862	* John Hancock Mutual Life	36,566,595	2,159,182	38,725,777
1850	Manhattan Life	33,690,035	5,743,766	39,433,801
1864	Maryland Life	2,945,934	240,401	3,186,335
1851	Massachusetts Mutual Life	28,227,497	4,634,724	32,862,221
1867	* Metropolitan Life	141,922,568	860,582	142,783,150
1867	Michigan Mutual Life	6,582,826	3,167,669	9,750,495
1845	Mutual Benefit Life	111,614,375	13,119,765	124,734,140
1843	Mutual Life, New York	319,574,634	69,740,205	389,314,839
1868	National Life U. S. A	7,578,879	351,489	7,930,368
1850	National Life, Vermont	14,551,295	2,507,135	17,058,430
1893	Nederlands Life (U. S. Branch)	1,374,244	.....	1,374,244
1845	New York Life	225,627,065	50,731,474	276,358,539
1857	Northwestern Mutual Life	81,769,221	20,855,393	102,624,614
1868	Pacific Mutual Life	6,307,685	1,270,278	7,577,963
1847	Penn Mutual Life	40,108,703	8,073,846	48,182,549
1851	Phœnix Mutual Life	25,896,644	4,982,003	30,878,647
1865	Provident Life and Trust	21,309,587	14,519,616	35,829,203
1878	Provident Savings Life, New York	137,500	.....	137,500
1876	† Prudential	88,412,564	210,304	88,622,868
1845	State Mutual Life	13,325,103	2,868,803	16,193,906
1868	Travelers	17,925,466	4,091,284	22,016,750
1867	Union Central Life	112,149	40,417	152,566
1849	Union Mutual Life	18,576,231	6,054,991	24,631,222
1850	United States Life	17,001,954	2,414,944	19,416,898
1860	Washington Life	21,300,324	9,130,488	30,430,812
	Totals	$1,779,376,794	$322,519,538	$2,101,896,322

* Partially industrial business. † Report includes both industrial and ordinary business.

Life Insurance Business in North Carolina in 1904.

(Compiled from a Statement by the Insurance Commissioner.)

COMPANIES.	Policies Issued.		Policies in Force Dec. 31, 1904.		Premiums Received.	Losses Paid.
	No.	Amount.	No.	Amount.		
Ætna	445	$579,248	3,305	$4,910,486	$146,982	$75,061
Bankers, N. Y	71	243,182	432	1,408,485	44,349	6,500
Connecticut Mut	37	54,871	336	737,298	14,408	32,500
Contentnea, N. C	2,428	59,300	77	1,080	4,286	895
Eastern, N. C	487	641,000	643	886,500	30,841	6,000
Equitable, N. Y	888	1,362,465	5,315	10,152,499	340,513	99,882
Fidelity Mutual	392	595,431	1,411	2,217,604	71,592	35,000
Franklin	76	203,513	69	182,460	8,585	10,211
Germania	112	285,700	284	557,700	18,562	1,000
Hartford	115	153,069	547	1,064,823	44,104	56,500
Home Life	92	142,382	374	485,904	18,848	3,182
Illinois Life	100	109,299	298	370,333	12,205	4,000
Life Ins. Co. of Va	26,850	3,064,988	80,413	9,474,862	356,367	105,642
Manhattan	92	117,350	285	406,566	11,938	2,069
Maryland	48	66,845	283	410,443	15,588	3,000
Massachusetts Mut	132	329,000	382	739,323	25,071	1,490
Metropolitan (Ord.)	690	601,620	890	842,268	28,074	7,910
Metropolitan (Ind.)	12,494	2,035,345	9,755	1,599,575	37,680	3,223
Michigan Mutual	212	231,518	562	640,129	20,243	7,553
Mutual Benefit	1,252	1,658,085	5,292	8,349,111	288,752	76,589
Mutual, N. Y	1,810	2,774,767	6,786	14,410,937	373,402	101,764
National, Vt	274	307,500	305	375,882	9,516	2,000
New York Life	1,190	1,924,830	5,571	10,520,965	355,338	97,417
Northwestern Mut	221	345,200	1,931	3,828,337	125,959	56,540
Pacific Mutual	341	369,511	577	670,516	22,507	7,056
Penn Mutual	685	1,153,621	3,986	7,350,049	257,553	35,131
Phœnix Mutual	478	583,491	1,574	2,120,526	78,944	21,000
Provident Savings	402	817,746	1,499	3,282,406	122,144	97,804
Prudential	1,143	1,737,296	2,514	4,142,845	144,388	22,439
Reliance	61	138,500	61	138,500	4,396	.....
Security L. and A	575	1,155,400	1,252	2,924,100	109,186	17,000
Security Mutual	183	217,456	501	656,966	20,054	2,000
Security T. and L	60	71,387	323	467,401	11,319	4,956
South Atlantic	151	195,500	324	473,750	12,806	1,000
Southern L. and T	331	689,000	406	853,000	28,948	2,183
State Mutual, Mass	103	163,164	675	1,148,859	37,510	7,516
State Life, Ind	417	657,591	987	1,728,991	49,951	7,000
Sun, Canada	811	365,569	1,558	832,586	25,801	9,011
Travelers	119	240,200	710	1,973,979	45,688	24,799
Union Central	421	577,440	3,500	4,715,239	150,332	39,577
Union Mutual	51	68,411	131	190,778	5,337	332
Washington	219	267,560	601	713,954	26,340	14,277
Total 1904	57,059	$27,355,351	146,724	$98,958,023	$3,556,404	$1,104,010
" 1903	57,453	26,000,259	131,168	98,374,228	3,256,389	853,984
" 1902	82,137	22,634,683	125,862	83,254,879	2,602,805	780,693
" 1901	.....	19,112,540	98,650	72,089,088	2,180,644	725,079

Fire Insurance Business in Louisiana in 1904.

(Reported by the Companies to The Weekly Underwriter.)

COMPANIES.	Risks Written.	Premiums Received.	Losses Paid.
Ætna, Hartford	$17,821,507	$201,176	$63,009
Agricultural, Watertown	1,008,700	18,300	12,534
American, Boston	1,057,014	13,085	3,888
American Central, St. Louis	1,166,259	22,091	6,430
American Fire, Philadelphia	2,016,664	31,963	9,950
Anchor Fire, Cincinnati	517,632	11,072	9,580
Armenia, Philadelphia	497,792	10,287	1
Assurance Co. of Am., New York	757,117	8,499	6,998
Atlanta-Birmingham, Atlanta	2,077,445	32,643	9,112
Atlanta Home, Atlanta	765,424	11,304	1,278
Atlas, London	2,245,493	42,602	28,634
Austin Fire, Austin	308,043	6,692	976
British America, Toronto	913,921	18,609	11,129
British American, New York	189,540	3,693	344
Caledonian, Edinburgh	1,020,180	15,727	973
Camden Fire, Camden	627,722	14,342	6,482
Citizens, St. Louis	869,718	18,432	3,807
Cologne Reinsurance, Cologne	662,359	13,651	9,814
Colonial, Washington	272,659	5,327	789
Colonial, New York	142,158	2,446	.....
Commercial Union, London	2,692,682	67,408	38,666
Commercial Union, New York	256,276	4,175	2,140
Concordia, Milwaukee	486,878	9,918	21
Connecticut Fire, Hartford	1,413,300	18,656	10,717
Continental, New York	4,617,332	56,578	26,648
Dutchess, Poughkeepsie	904,086	17,823	2,431
Empire City Fire, New York	532,659	8,102	4,843
Equitable F. and M., Providence	743,138	15,259	2,212
Federal, Jersey City	1,333,005	15,932	1,540
Fire Association, Philadelphia	3,423,482	79,772	39,552
Fireman's Fund, San Francisco	2,778,677	55,327	19,816
Georgia Home, Atlanta	1,239,826	24,548	5,276
German, Freeport	17,849,548	162,282	94,461
German Alliance, New York	353,938	7,171	4,565
German American, New York	2,832,838	55,410	33,095
Germania Fire, New Orleans	7,972,038	90,085	27,792
Germania Fire, New York	936,303	11,254	6,926
Girard Fire and Marine, Philadelphia	613,500	7,408	5,016
Globe and Rutgers, New York	3,745,907	82,678	2,829

Companies.	Risks Written.	Premiums Received.	Losses Paid.
Hamburg-Bremen, Hamburg	$1,260,381	$25,323	$10,128
Hanover Fire, New York	1,665,856	29,293	11,517
Hartford Fire, Hartford	10,804,255	191,531	76,825
Hibernia, New Orleans	6,561,204	57,352	20,855
Home, New York	11,279,274	154,132	48,252
Indemnity Fire, New York	196,276	2,733	369
Ins. Co. of N. America, Philadelphia	4,016,027	83,498	34,711
La Fayette Fire, New Orleans	4,487,616	47,183	15,887
Law Union and Crown, London	222,277	4,733	40
Liv. and Lon. and Globe, Liverpool	28,433,781	367,013	98,856
Liv. and Lon. and Globe, New York	4,038,486	51,027	10,363
London and Lancashire, Liverpool	2,502,132	41,886	16,221
London Assurance Corporation	609,600	13,983	6,502
Louisiana Fire, New Orleans	392,688	8,437	3,494
Louisville Fire, Louisville	683,530	7,271	1,748
Mechanics and Traders, New Orleans	7,932,505	73,044	30,975
Mercantile F. and M., Boston	371,484	7,509	3,933
Michigan Fire and Marine, Detroit	500,043	10,106	.....
Milwaukee Mechanics, Milwaukee	1,064,661	14,424	3,414
Moscow Fire, Moscow	2,770,492	35,649	308
Munich Reinsurance, Munich	11,106,374	213,668	89,597
National Fire, Hartford	5,212,985	92,832	35,403
National Union, Philadelphia	1,795,464	22,652	5,280
New Brunswick, New Brunswick	219,335	6,742	.....
New Hampshire Fire, Manchester	2,573,193	60,705	20,274
New York Fire, New York	231,725	2,714	26
Niagara Fire, New York	1,734,063	37,412	7,518
North British and Mercantile, Lon	3,911,319	65,676	34,483
North British and Mercantile, N. Y.	109,166	2,512	1,040
Northern, New York	977,392	18,710	1,040
Northern, London	2,019,098	17,875	18,403
North German Fire, New York	575,367	11,824	4,908
Northwestern National, Milwaukee	806,356	8,266	7,130
Norwich Union, Norwich	1,583,866	32,815	8,185
Orient, Hartford	3,979,722	34,557	16,733
Palatine, London	1,736,111	42,576	22,047
Pennsylvania Fire, Philadelphia	2,091,000	49,188	37,943
Phenix, Brooklyn	5,903,809	152,438	48,917
Phœnix, Hartford	5,349,916	65,502	26,607
Phœnix, London	2,207,488	57,337	33,600
Providence Washington, Providence	2,803,443	50,154	17,365
Prussian National, Stettin	1,217,286	9,597	3,354
Queen, New York	2,680,184	54,101	25,490
Royal, Liverpool	6,590,835	112,468	38,892
Royal Exchange, London	3,301,964	44,869	17,391
St. Paul Fire and Marine, St. Paul	2,649,495	32,475	5,881
Salamandra, St. Petersburg	3,269,011	58,635	12,804
Scottish Union and National, Ed'n'gh	918,134	19,582	6,825
Skandia, Stockholm	1,645,693	28,058	7,741
Southern, New Orleans	4,066,330	66,563	23,297
Springfield F. and M., Springfield	1,580,035	39,053	23,792
Sun, London	1,714,290	32,672	12,900
Sun, New Orleans	7,945,796	113,262	45,878
Teutonia, New Orleans	4,166,330	62,404	23,297
Toledo Fire and Marine, Toledo, O	118,670	3,056	480
Traders, Chicago	930,650	20,238	7,426
Union Assurance, London	567,556	12,067	89
United States Fire, New York	719,500	13,321	6,499
Virginia Fire and Marine, Richmond	2,624,643	50,458	24,777
Virginia State, Richmond	1,216,440	42,686	21,725
Westchester Fire, New York	1,611,681	22,386	7,971
Western, Toronto	2,065,219	37,007	2,906
Williamsburgh City Fire, N. Y.	833,990	11,069	2,756
Totals, 1904	$290,953,697	$4,482,691	$1,676,454
Comparison with Business of Previous Years.			
1903	$231,976,136	$3,758,476	$1,282,564
1902	211,632,899	3,248,219	1,477,372
1901	235,007,077	3,035,549	1,500,208
1900	241,252,011	3,085,921	1,097,176
1899	236,739,419	2,963,829	1,587,574
1898	221,232,584	2,790,257	1,264,436
1897	208,507,290	2,673,376	1,160,095
1896	202,022,623	2,604,168	1,206,337
1895	211,320,440	2,742,979	1,928,539
1894	197,442,627	2,649,323	1,321,848
1893	200,834,584	2,487,505	1,117,712
1892	165,362,027	1,812,747	2,109,993
1880 to 1890 inclusive	2,414,832,371	24,770,343	11,825,183

The percentage of losses paid to premiums received in the twenty-five years embraced in the above table is 48.4. The percentage in 1904 was 37.4.

(*Continued from page* 611.)

is used in fighting competitors, the way would be made easier and the final compensation would be greater."

Manager A. B. Wingfield, Louisville—"Morale in an army is compulsory enthusiasm, given and accorded by strict military discipline; l'esprit du corps is voluntary enthusiasm, love and devotion to the cause, given free and untrammeled by regulations or discipline. In order that your business or profession be well thought of the first principle is to think well of it yourself. Respect your profession and require of others the same. The insurance company's organization is like the army—the president as the general with his aids (the other officers), the corps commanders (general agents), the division, brigade and regimental commanders, subalterns and the rank and file—the field men. Inspiration and instructions and the spirit of interest and enthusiasm are to be imparted and transmitted all along the line. When this is accomplished l'esprit du corps is complete. The position of general agent is not easy to fill. He must be of keen discrimination, indomitable industry and undoubted integrity, magnetic in his personality and commanding the respect of those under him in authority. Always keep your ideal higher than your attainments. Strive to attain your ideal, but constantly lift it. Work with your agents; encourage them; go to the smallest producer in your field, providing he is worthy. Use judgment, tact, inspiration, faith in God."

Actuary A. A. Welch—"You all know that the actuary must be thoroughly familiar with the fundamental laws of mortality and interest, and also that his duties do not end with the translation of these laws. He must be able to predict with more or less accuracy what mortality may be expected under any contracts and what might conspire to the lapse or surrender of these contracts. In general he is asked to pass judgment on most suggestions of liberalizing or curtailing contracts, for a change in almost any part of the business of life insurance is sure to affect in some degree the financial returns which the company may expect from sources apparently having no connection with the point involved. And so in almost all companies it has come to be the custom in reporting to the field the attitude of the home office toward any particular subject to say that it was 'deemed necessary by the actuary' or was 'advised against by the actuary,' so that unconsciously the actuary grows in the mind of the field men into an overshadowing ogre, issuing all sorts of limitations that result in a curtailment of income to the solicitor and refusing all requests that might increase that income. But, gentlemen, I want to have you and the men who are working under you feel a little differently toward that officer, or toward anyone who may be his mouthpiece, because he is simply translating into the everyday language of life insurance the laws of mortality, interest, lapse ratio and expense, for which he is no more responsible than is the physician for the laws of health which he prescribes for his patient. Sometimes a request comes in from the field for a certain contract, value or commission that is allowed by some other company 'in good and regular standing' and such fact—namely, that it is in use by this other company—is offered as an argument which apparently is deemed unanswerable by the field man. In advising counter to such request the actuary is often believed to be too timid to take the fair risk assumed by other companies equally as strong and conservative. But this argument, while specious, is not conclusive; every dollar of commissions desired must be considered in connection with every other allowance made by the company, with the amount of insurance already on the books, with its possible effect in producing a larger or smaller proportion of any special contract, or of catering to any special class of insurers or agents. In other words, the value to a company of an individual contract, surrender value, or commission cannot be judged apart from the age, equipment, history and traditions of the individual company concerned, and all these points must be considered by the actuary when his advice is asked. So please think twice before criticising, and remember that even if his advice is responsible for some of the distasteful pills that are at times prescribed, a great many of the sweets that are sent out are wholly conceived and manufactured in his laboratory."

Manager Jules Girardin—"We need not apologize for being life insurance agents. The good work we do is our best excuse. I often read my pardon in the tear dimmed eyes of a lonely little widow while handing her the company's draft—you know the draft always gets there before the tears have time to dry. On such occasions I have felt that I'd rather be a life insurance agent than anything else—rather have brought cheer into one desolate household than to have won the world's greatest victory. There are some things that endure longer than others, so I care not who writes the ballads of the nation so that I may be permitted to write their applications."

SUCCESSFUL LIFE INSURANCE MEN

wishing to secure a first-class contract with a continuous renewal interest should communicate with

Security Mutual Life Insurance Co.

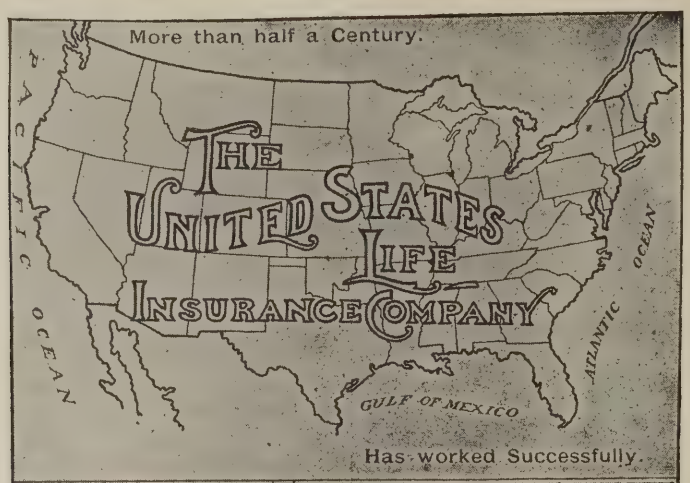
BINGHAMTON, N. Y.

CHAS. M. TURNER, President.

New policy forms with special features very attractive to prospective insurers.

FOR FULL PARTICULARS ADDRESS

A. B. HOWE, Assistant General Manager.



JOHN P. MUNN, M.D.
President.

FINANCE COMMITTEE.
JAMES R. PLUM,
Leather.
CLARENCE H. KELSEY,
Pr. Title Guar. & Trust Co
WILLIAM H. PORTER,
Pres. Chem. Nat'l Bank.

Active and successful Agents who desire to make DIRECT CONTRACTS with this well established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3rd Vice-President, at the Company's Office, 277 Broadway, New York.

"SAFE AS A NATIONAL BANK NOTE."

The Inter-State Life
ASSURANCE COMPANY,
INDIANAPOLIS, IND.

CHARLES A. SUDLOW, President. F. P. DAVENPORT, Secretary.

EASTERN DEPARTMENT: 621 Walnut Street, PHILADELPHIA.
H. E. ROBERTS, Second Vice-President.

BRITISH AMERICA ASSURANCE CO.,
INCORPORATED 1833.

FIRE AND MARINE. Head Office: TORONTO, CANADA.

UNITED STATES BRANCH.

JANUARY 1, 1905.

Assets	$1,428,610.75
Liabilities	1,030,923.14
Net Surplus	$397,687.61

HON. GEO. A. COX, President. J. J. KENNY, Vice-President.

WHAT is the use of saying
"The best company,"
or "The strongest company,"
or "The largest company"?
They all say these things.

WE SIMPLY SAY . . .

THE PENN MUTUAL LIFE Insurance Company
OF PHILADELPHIA.
Organized 1847.

THAT TELLS THE WHOLE STORY.

Established 1782.

Phoenix Assurance Company, Ltd.,
OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID, OVER $135,000,000.
Head Office for the United States, 47 Cedar St., N. Y.
A. D. IRVING, Manager. LOUIS P. BAYARD, Asst. Manager.
A. D. IRVING, JR., Sec.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

THE
United States Fidelity and Guaranty Company,
BALTIMORE, MD.,
16 West Saratoga St.

STATEMENT DECEMBER 31, 1904.

Capital Stock Paid in Cash	$1,700,000.00
Premium Reserve	1,096,644.36
Surplus and Undivided Profits	604,425.89
Total Assets	$3,401,070.25

JOHN R. BLAND, President.
GEO. R. CALLIS, Sec'y and Treas.
ISIDOR RAYNER, General Counsel.

One Million Dollars Surplus to Policyholders

UNITED STATES CASUALTY COMPANY

141 Broadway, New York

WANTS AGENTS IN SMALL TOWNS

as well as in large ones

BEST ACCIDENT and HEALTH INSURANCE IN THE WORLD

Secretary & General Manager

THE COLUMBIAN NATIONAL LIFE INSURANCE CO.,

BOSTON, MASS.

INCORPORATED UNDER THE LAWS OF MASSACHUSETTS.

PERCY PARKER, President. WM. BUTLER WOODBRIDGE, Second Vice-President.

INCORPORATED 1851.

The Berkshire Life Insurance Company,

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

JAMES W. HULL, Pres. JAMES M. BARKER, Vice-Pres.
J. M. LEE, Actuary. THEO. L. ALLEN, Sec.
ROBT. H. DAVENPORT, Asst. Secy.

Agencies in all the principal cities of the United States.

How's Your Backbone?
Can You Stand Alone?

Agents who can answer "strong" and "yes" to the above questions, and who want to be advanced more than they want advances, can secure splendid contracts with liberal renewal commission guarantees from the

Security Trust and Life Insurance Co.

BROADWAY and 26th STREET, NEW YORK.

Hon. R. E. PATTISON, President.
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ADDRESS FOR TERMS

Moore Sanborn, 4th Vice-President and Manager of Agencies.

C. H. Buuker, President. Franklin H. Head, Vice-President.
A. A. Smith, Secretary, H. G. B. Alexander, 2d Vice-Pres. and Gen. Mgr.

Continental Casualty Company

POLICIES ARE PROTECTED by more than ONE MILLION DOLLARS ASSETS.

Capital Stock, $300,000.00

Accident and Health Insurance

General Offices, Chicago.

OVER FIVE MILLION DOLLARS paid in claims to 175,000 of our POLICYHOLDERS.

GOOD CONTRACTS IN GOOD TERRITORY TO GOOD MEN

Producers, address H. G. B. Alexander, 2d Vice-Pres. and Gen. Mgr. 134 Monroe Street, Chicago.

AGENTS WANTED

BY

The Manhattan Life

OF NEW YORK

Exclusive Territory
Liberal Contracts

STRENGTH
SECURITY
SOLIDITY

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000

STATEMENT DECEMBER 31, 1904.

Resources (including Capital, $2,500,000), . . $5,837,309.20
Liabilities (including Reserve, $793,173.24), . . 1,204,075.01

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

Telephone : Cortlandt 5395.

THE CONNECTICUT MUTUAL LIFE
Insurance Company.
1846—1905.

On January 1st, 1905, **The Connecticut Mutual** had received from its members $232,759,294.33. It had returned to them $234,353,488.98, or **$1,594,224.65** more than the amount received from them. It had assets on hand of $65,224,841.53, and a surplus of $4,828,696.64 with which to meet a liability, actual and contingent, of $60,396,144.89 on $167,167,515.00 at risk on 70,454 policies. Except in the possible case of some society or concern with only a local and slight membership, no comparable results have been accomplished by any other American Life Insurance Company.

JOHN M. TAYLOR, President. **HERBERT H. WHITE, Secretary.**
DANIEL H. WELLS, Actuary.

1825. THE 1905.

Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital	$400,000.00
Reinsurance and all Liabilities	3,443,725.09
Surplus	2,585,263.42
Total January 1, 1905	$6,428,988.51

R. DALE BENSON, Pres. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Pres. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

1851 Phoenix Mutual Life Insurance Company 1904
OF HARTFORD, CONN.,

Issues every Desirable Form of Policy known to modern Life Insurance.

The only Company that writes the combined Life-Endowment-Annuity contract, the most attractive policy for Agents to sell or Insurers to buy.

Protection for Self, for Family, for Business. Specimen policy, rates, etc., will be given on application to the Home Office.

JONATHAN B. BUNCE, President.
WILLIAM A. MOORE, Secretary. JOHN M. HOLCOMBE, Vice-President.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1904		$11,290,773.87
LIABILITIES—Reserved for Reinsurance and all other claims	$5,838,363.45	
Capital Stock	3,000,000.00	
Surplus and Contingent Fund over all Liabilities	2,452,410.42	$11,290,773.87

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
HENRY W. FARNUM, Marine Secretary. T. HOUARD WRIGHT, Assistant Secretary.

Offices in New York: Fire, 51 William St.; Marine, 63 Wall St.

Forty-fifth Year

HOME LIFE
INSURANCE COMPANY OF NEW YORK,
GEORGE E. IDE, President.

Admitted Assets,		$16,606,229.07
Dividend Endowment Fund, (Deferred Dividends.)		1,290,036.00
Contingent Fund,	$228,211.31	
Net Surplus,	1,134,104.25	1,362,315.56
Insurance in Force,		74,892,289.00

THE AMERICAN FIRE INSURANCE COMPANY,

OFFICE COMPANY'S BUILDING. **308 and 310 Walnut St., Philadelphia.**

CASH CAPITAL	$500,000.00
Reserve for Reinsurance and all other claims	2,116,118.40
Surplus over all Liabilities	222,677.40

TOTAL ASSETS, JANUARY 1, 1905, $2,838,795.80.

JOHN H. PACKARD, JR., President.
WAITE BLIVEN, Secretary.
WM. F. WILLIAMS, Treas. and Asst. Sec'y.
EDWARD MANEUVRE, Asst. Sec'y.
LOUIS S. AMONSON, Secretary of the Agency Department.

DIRECTORS:

John H. Packard, Jr. John S. Gerhard.
Joseph E. Gillingham. Edward Lowber Welsh.
Charles S. Whelen. Archibald R. Montgomery.
Edward F. Beale. Thomas K. Ober, Jr.
Francis E. Bond.

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